Huayang
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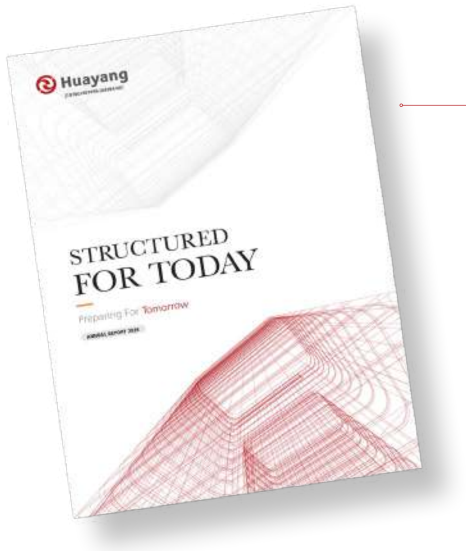
STRUCTURED FOR TODAY

Preparing For Tomorrow

ANNUAL REPORT 2026

Huayang

COVER RATIONALE



Structured for Today
Preparing for Tomorrow

Constructed with intricate line formations and a ground-level perspective, the cover visual presents a network of interconnected lines that extend across the composition. The flowing linework creates depth, structure and visual continuity, guiding the eye towards the horizon.

The design combines movement and form through a series of evolving connections, resulting in a balanced and cohesive visual expression. Together, these elements create a contemporary representation of structure, connection and continuity.

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INSIDE TH

47TH ANNUAL GENERAL MEETING

VENUE:
Head Office of the Company at
4th Floor, C-21 Jalan Medan Selayang 1,
Medan Selayang, 68100 Batu Caves, Selangor

DATE:
Wednesday, 2 September 2026

TIME:
10.30 a.m.

ICONS USED IN THIS REPORT

This icon refers to further reading

This icon refers to further information available at www.huayang.com.my

This annual report is available in the following formats:

Print	Online	Tablet
	https://huayang.com.my/annualreport/	

All our annual reports are available online at http://huayang.listedcompany.com/ar.html.
The financial information and corporate governance used in this annual report are also available online.

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IS REPORT

ABOUT US

Huayang

HUA YANG BERHAD HAS COME A LONG WAY FROM ITS FIRST EIGHT FOURSTOREY SHOPS AT JALAN GOPENG, IPOH. TODAY, THE GROUP CONSISTENTLY DELIVERS QUALITY, AFFORDABLE, INTEGRATED TOWNSHIPS, HIGH-RISE RESIDENTIAL PROJECTS AND COMMERCIAL LOTS ACROSS THE NATION.

With over 22,796 properties worth RM5.668 billion completed across the nation, the Group has honed and refined its skills in identifying areas within established and thriving districts to successfully introduce its concept of affordable lifestyle accommodation. Hua Yang currently has developments in Klang Valley, Johor, Perak, and Penang and is recognised as one of nation's leading property developers in the affordable home segment. This is a testament to the Group's dedicated workforce and the close rapport Hua Yang has built with its customers.

Through this journey, the Group's vision has remained the same — to be steadfast in its commitment to make dreams of affordable home ownership a reality. Looking ahead, the Group aims to stay ahead of the curve by embracing a digitalised transformation, migrating its operations online, and allowing Hua Yang to increase productivity and efficiency. Regardless of the future ahead, the Group will continue on a steady path, to create value and drive excellence in all it does.

OUR VISION

- Provide affordable housing for a developing nation

OUR MISSION

- Empower Malaysians to achieve their dream homes
- Protect and enhance the interest of our stakeholders
- Ensure quality in our products and performance

OUR CORE VALUES

D Dependable

R Reliable

E Efficient

A Affordable

M Motivated

S Sustainable

CORE VALUES

Core values are the bedrock of our organisation and tell people who we are as a company. Hua Yang's core values are represented by the acronym **DREAMS** and these values are what drives us ahead as we forge ahead as a team to work towards our vision.

Pushing boundaries is necessary to innovate and we are guided by our values in everything that we do. Being **Dependable** means, we build trust and ensure homeowners that we will perform to the best of our abilities. We are **Reliable** and **Efficient** in driving organisational productivity which is a cornerstone to effective management. Building **Affordable** housing has and always will be our pioneering vision and we are **Motivated** to constantly innovate to add value to our developments. We push boundaries in **Sustainable** development, ensuring we benefit customers, society and the environment.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Tan Sri Dato' Seri Dr. Ting Chew Peh
Chairman / Non-Independent Non-Executive Director

Ho Wen Yan
Chief Executive Officer / Executive Director

Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud
Independent Non-Executive Director

Choo Seng Choon
Independent Non-Executive Director

Chew Hoe Soon
Non-Independent Non-Executive Director

Ho Wen Fan
Non-Independent Non-Executive Director

AUDIT COMMITTEE

Chairman

Choo Seng Choon
Independent Non-Executive Director

Members

Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud
Independent Non-Executive Director

Chew Hoe Soon
Non-Independent Non-Executive Director

NOMINATION COMMITTEE

Chairman

Choo Seng Choon
Independent Non-Executive Director

Members

Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud
Independent Non-Executive Director

Chew Hoe Soon
Non-Independent Non-Executive Director

REMUNERATION COMMITTEE

Chairman

Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud
Independent Non-Executive Director

Members

Choo Seng Choon
Independent Non-Executive Director

Chew Hoe Soon
Non-Independent Non-Executive Director

COMPANY SECRETARIES

Leong Oi Wah
(MAICSA 7023802)
(SSM PC No. 201908000717)

Lam Cho Wai
(MIA 37324)
(SSM PC No. 202008001864)

Hu Yee Yen
(MAICSA 7073627)
(SSM PC No. 202508000669)

CORPORATE INFORMATION

REGISTERED OFFICE

C-21, Jalan Medan Selayang 1
Medan Selayang
68100 Batu Caves, Selangor Darul Ehsan
Tel : 03-6188 4488
E-mail : kl@huayang.com.my

OFFICE IN MALAYSIA

Head Office

C-21, Jalan Medan Selayang 1
Medan Selayang
68100 Batu Caves, Selangor Darul Ehsan
Tel : 03-6188 4488
E-mail : kl@huayang.com.my
Website : www.huayang.com.my

Ipoh Branch

123A, Jalan Raja Permaisuri Bainun
(Jalan Kampar) 30250 Ipoh
Perak Darul Ridzuan
Tel : 05-254 3812
E-mail : ipoh@huayang.com.my

Johor Branch

53 & 55, Jalan Besi
Taman Sri Putri
81300 Skudai
Johor Darul Takzim
Tel : 07-559 1388
E-mail : jb@huayang.com.my

Penang Branch

G-10 & G-11, Pangsapuri Servis Meritus
Jalan Laguna 1
13700 Perai
Pulau Pinang
Tel : 04-605 2998
E-mail : pg@huayang.com.my

AUDITORS

TGS TW PLT
202106000004 (LLP0026851-LCA) & AF002345
Chartered Accountants
Unit E-16-2B, Level 16, Icon Tower (East)
No.1, Jalan 1/68F, Jalan Tun Razak
50400 Kuala Lumpur

PRINCIPAL BANKERS

AmBank Islamic Berhad
Malayan Banking Berhad
OCBC Bank (Malaysia) Berhad
Public Bank Berhad
RHB Bank Berhad
United Overseas Bank (Malaysia) Berhad

SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Tel : 03-7890 4700
Fax : 03-7890 4670

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Listed on : 29th November 2002
Stock name : HuaYang
Stock code : 5062
Sector and Subsector : Property

SHARIAH COMPLIANCE LISTING

Shariah Advisory Council of the Securities Commission Malaysia listing on 29th May 2026

CORPORATE STRUCTURE

Huayang

HUA YANG BERHAD

- 100% Agro-Mod Industries Sdn Bhd
- 100% Ara Saujana Development Sdn Bhd
- 100% Bison Holdings Sdn Bhd
- 100% Daya Niaga Sdn Bhd
- 100% G Land Development Sdn Bhd
- 100% Grandeur Park Sdn Bhd
- 100% Grand View Realty Sdn Bhd
- 100% Johanjana Corporation Sdn Bhd
- 100% Huayang Services Sdn Bhd *(formerly known as Celestial Solar Farm Sdn Bhd)*
- 100% Huayang Ventures Sdn Bhd
- 70% Kajang Heights Development Sdn Bhd
- 100% Pembinaan Hua Yang Sdn Bhd
- 100% Prisma Pelangi Sdn Bhd
- 100% Prop Park Sdn Bhd
- 100% Sulaiman Properties Sdn Bhd
- 100% Sunny Mode Sdn Bhd
- 100% Tinggian Development Sdn Bhd
- 100% Yoon Lian Realty Sendirian Berhad

5 YEAR GROUP FINANCIAL HIGHLIGHTS

Financial Year Ended 31 March	2026 RM'000	2025 RM'000	2024 RM'000	2023 RM'000	2022 RM'000
(A) Key data of Operating Results:					
Revenue	**64,016**	104,561	205,048	120,060	120,188
Profit / (Loss) Before Tax	**(3,122)**	10,151	9,897	7,846	7,710
Profit / (Loss) After Tax	**(4,735)**	6,327	6,162	3,132	1,433
Profit / (Loss) Attributable To Equity Holders of the Company	**(4,577)**	6,572	6,328	3,224	1,526
(B) Key data of Financial Position:					
Total Assets	**886,300**	829,213	859,555	880,642	883,932
Total Borrowings	**262,263**	192,170	189,534	229,128	253,086
Equity Attributable to Owners of the Company	**488,915**	479,827	468,625	448,407	430,372
Total Equity	**510,577**	501,647	495,562	475,203	456,953
(C) Financial Indicators:					
Return on Equity (%)	**-1%**	1%	1%	1%	0%
Return on Total Assets (%)	**-1%**	1%	1%	0%	0%
Earnings / (Loss) Per Share (sen)	**(1.04)**	1.49	1.44	0.83	0.43
Net Assets Per Share (RM)	**1.11**	1.09	1.07	1.02	1.22
Net Gearing Ratio	**0.48**	0.35	0.35	0.45	0.51

OUR JOURNEY

1978

IPOH

Hua Yang Berhad was incorporated on 28 December 1978 under a private limited company, Heng Po Sdn. Bhd. First project in Ipoh comprising 8 units of 4-storey shops at Jalan Gopeng, Ipoh. The project was completed in September 1981.

1991

IPOH

Acquisition of 838 acres of land in Bandar Universiti Seri Iskandar, Hua Yang's first integrated township in Perak consisting of residential and commercial units that was launched in year 2001.

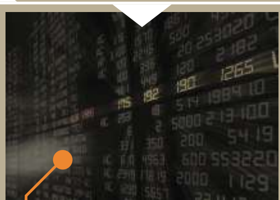
1993

JOHOR BAHRU

The Group expanded to the Southern region with an acquisition of 477 acres of freehold land in Johor Bahru for a township development, launched in March 2001.

2002

Hua Yang was listed on the Main Board of Bursa Malaysia on 29 November.



2007

SELANGOR

Acquisition of 17.89 acres of land in Seri Kembangan to develop One South, a mixed development flagship project. The 1st phase of One South was launched at the start of 2010. The Phase 2 to Phase 6 were launched progressively after 2010, with the final phase successfully completed in 2017.

2008

SELANGOR

In October, the Group launched its first high-rise development in Klang Valley, Symphony Heights Services Apartments, which was successfully completed in November 2012.

2010

NEGERI SEMBILAN

At the beginning of 2010, the Group launched Senawang Link, an integrated commercial and industrial development project in Seremban.

2015

PENANG

The Group ventured into a new market by acquiring 4.9 acres of land in Bukit Mertajam, Penang. Hua Yang further strengthened its presence in Penang via the acquisition of 9.5 acres of land in Taman Juru and 8.59 acres of land in Seberang Prai.

OUR JOURNEY

2018

PENANG

The Group launched its first project in Seberang Perai, Penang. Meritus Residensi, a 44-storey tower with 480 units of serviced apartments and 15 retail shops which were completed in January 2020.

2020

PENANG

Launched Phase 1 Aston Acacia in Bukit Mertajam, comprising of 311 units of serviced apartments. Completion of The Group's 2nd Penang Project – Aston Acacia in December 2024.

2022

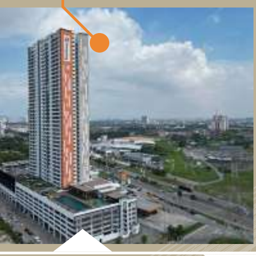
KLANG VALLEY

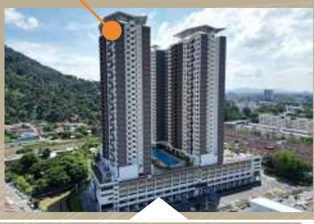
The Group acquired 4.8 acres of freehold land in Dengkil for residential development. The project, Taman Ara Saujana was launched in early 2024.

2024

PERAK

The Group acquired 2 pieces of lands which are 3.15 acres of freehold land in Sitiawan and 5.21 acres of leasehold land Mukim Tronoh, Daerah Kinta respectively for residential development.





MOVING FORWARD FOR A BETTER FUTURE.

PERAK

The Group launched its new project in Bandar U Seri Iskandar, Perak. Sakura comprises of 410 single-storey terrace houses spread across 25 acres of land and were successfully completed in September 2023.

2019

PERAK

In Bandar U Seri Iskandar, the Group unveiled a collection of 1½ storey terrace houses consisting of 335 units spread across 24 acres of land. The project was completed in April 2024.

2021

PERAK

The Group acquired 5.3 acres of leasehold land at Mukim Sungai Terap Bemban, Batu Gajah, Perak for residential development.

2023

OUR PRESENCE ACROSS MALAYSIA

01 KLANG VALLEY

Puchong

ARA
RESIDENCES

Puchong Horizon redefines urban living as an integrated township within a satellite city. Strategically located on a 53-acre site in the heart of Puchong, it offers a complete lifestyle that seamlessly blends urban resort living, premium yet affordable homes, corporate offices, retail spaces, and hospitality offerings.

ARA Residences is where thoughtful design meets modern living. This 40-storey development combines contemporary architecture with tranquil spaces, creating a peaceful retreat in the heart of the city. Featuring spacious bedrooms, ample parking, EV charging bays, and multi-tier security, every detail is thoughtfully designed for comfort, convenience, and peace of mind.

With 118 luxurious facilities, ARA Residences blends refined living with a vibrant, thriving community. Perfect for families seeking comfort, connection, and meaningful shared moments, residents can unwind amid stylish lounging areas and serene waters that offer a refreshing retreat from everyday life.

Enjoy seamless connectivity with easy access to major highways, making travel to key destinations across the Klang Valley effortless. Nearby LRT stations also provide convenient commuting to Kuala Lumpur city centre.

Discover refined living enriched by community—your home, your way.

02 PENANG

Perai

altus
Residency @ 御慧轩

Altus Residency is a freehold, low-density smart living development in Perai, Penang. Comprising 148 exclusive dual-key and duplex units, it integrates advanced smart-home features to enhance modern lifestyles. Perfectly positioned near the Penang Bridge and premier shopping destinations, Altus Residency offers an ideal blend of comfort, style, and convenience—designed for harmonious multi-generational living.

Elevate your lifestyle with the convenience of smart-home technology at your fingertips. Experience the spacious luxury of duplex living, with more room to live, work, and unwind. With the flexibility of dual-key layouts, you can tailor your home to suit your needs—whether as a multi-generational residence, a work-from-home setup, or an investment with rental potential.

03 PERAK

Shatin

沙田滙
Ellington 23

Ellington 23 located at Shatin, Perak is designed to blend work and life seamlessly, offering great convenience with amenities like shops, schools, banks, and hospitals all nearby. Located just 3km from Ipoh town, it's easy to get to and surrounded by established neighbourhoods.

It combines convenience and modern living, making it an ideal choice for businesses and community life.

Dwell in your dream life with everything you need just a walk away. Ellington 23 is set to become the talk of the town and the go-to spot for everyone in Ipoh.

OUR PRESENCE ACROSS MALAYSIA

04 PERAK

Bandar U Seri Iskandar

AZALEA

Azalea, a beautifully designed terrace home development located in the heart of Bandar U Seri Iskandar — a growing, strategically positioned township built for the future.

With a lot size of 22' x 65' and a built-up area of 1,399 sq.ft., Azalea offers the space and comfort your family needs. Each unit features 4 bedrooms, 2 bathrooms, two inviting living areas, a fully extended kitchen, and a spacious columnless car porch — all thoughtfully laid out for effortless everyday living.

Inspired by the charm of the modern farmhouse style, Azalea's Semi-D-like layout delivers extra privacy and a standout façade that reflects your modern lifestyle. Stay connected with High-Speed Fibre-Optic Internet, and enjoy a home built for both functionality and style.

05 PERAK

Bandar U Seri Iskandar

Santolina

Nestled in the heart of Bandar U Seri Iskandar, Santolina is a thoughtfully crafted single-storey terrace development designed for those who desire a harmonious blend of style, comfort, and affordability.

Each unit spans 20' x 65', with a built-up area of 890 sq.ft. offering 3 bedrooms, 2 bathrooms, a generous living hall, spacious car porch, and soaring high ceilings that enhance natural light and ventilation. To meet the demands of today's connected lifestyle, every home is equipped with High-Speed Fibre-Optic Internet.

With its modern contemporary design and open neighbourhood layout, Santolina delivers an elegant and welcoming living environment — perfect for families, young professionals, or first-time homeowners seeking timeless value in a growing township.

06 KLANG VALLEY

Dengkil, Sepang

Ara Saujana

Taman Ara Saujana, the latest modern and contemporary homes launched in April 2024 comprise 59 units of 2-storey terrace houses situated on 4.8 acres of freehold land. It comes with land sizes of 20' x 60' and 20' x 70', built up areas of 1,652 sq.ft. and 1,948 sq.ft. respectively. Each unit comes with 4 bedrooms, balcony, family area and car porch that accommodates up to 2 cars parked side-byside comfortably. This low-density development homes are built to inspire a safe community living surrounded by nature greenery and community-centric spaces. Easily accessible via major highways and adjacent to leisure entertainment, healthcare, education, recreational amenities and public transportation.

OUR PRESENCE ACROSS MALAYSIA

07 PERAK

Bandar U Seri Iskandar

Plumeria @ BANDAR UNIVERSITI SERI ISKANDAR PERAK

Plumeria located in Bandar U Seri Iskandar, Perak's Integrated Education Township. A flagship project comprises of 152 units of 22' x 65' Single Storey Terrace House with each unit of Plumeria measures 22' x 65' with a built-up size of 851 sq.ft. Offering 3 bedrooms and 2 bathrooms, spacious living hall and car porch, high ceiling and comes with High-Speed Internet (Fibre-Optic).

The cozy environment filled with greenery of nature, cool and fresh air to ensure peace of mind and family safety. Full of various opportunities to achieve your dream lifestyle.

Bandar U Seri Iskandar offers the beautiful aspirations of dream home with modern design and very affordable. The township is surrounded by mature facilities and amenities such as Malaysia's Best Universities (UTP & UiTM), Lotus (Tesco), Government Administrative departments and more.

08 JOHOR BAHRU

Taman Denai Alam

ELEMENCE

Be welcomed home by luxuriant green living in LINEA @ Elemence at Taman Denai Alam. LINEA, a perfect home enclaved within a 73 acres freehold integrated township, consists of residential and commercial precincts, interlaced with nature and a 1.45 acres recreational park. LINEA features 52 exclusive units of double storey terrace houses, infusing natural surroundings for multigenerational households. Each unit of LINEA measures 18' x 65' with built-up sizes from 1,609 sq.ft. This development presents practical layouts designed for growing families seeking a modern lifestyle that embraces the "Work from Home" concept. The sizable 4 bedrooms and 3 bathrooms offer a sense of luxury and spaciousness, catering to the needs of families.

New commercial precinct of the highly acclaimed Elemence Township is strategically located fronting Jalan Canggung, Pasir Gudang. This vibrant commercial centre offers an abundance of flexibility with excellent consumer flow. Comprising only 46 exclusive units of double and three storey shop offices were launched into few parcels in May 2023, January 2024 and March 2024 respectively. It comes with land size of 22' x 70' and built-up areas ranging between 3,080 sq.ft. – 5,133 sq.ft.

Situated in Taman Denai Alam @ Pasir Gudang, the Elemence township provides excellent connectivity and ample amenities to residents. This incredible and innovative community development is strategically located with excellent accessibility and connectivity to Johor Port, Pasir Gudang Highway, Senai–Desaru Expressway, and EDL Highway.

09 PENANG

Bukit Mertajam

ASTON ACACIA SERVICED APARTMENT BUKIT MERTAJAM

Aston Acacia is a modern tropical development, strategically located in the heart of Bukit Mertajam town. Based on the concept of living high, Aston Acacia offers a balance of life, work and play with comprehensive modern facilities. Aston Acacia is situated close to a host of amenities as well as educational institutions and within proximity to the breathtaking Cherok Tokun Nature Park. The 2 towers of 33-storey serviced apartments are built on freehold land and comprise 622 units with built-ups ranging from 701 sq.ft. to 1,206 sq.ft. The units come in several variants offering two to four bedrooms with two to three bathrooms depending on the unit size.

HIGHLIGHTS OF 2025 - 2026

APRIL 2025

09 April

Ipoh Branch Raya Luncheon



14 April

JB Branch Raya Luncheon

25 April

Townhall

25 April

HQ Office Raya Dinner



MAY 2025

13 May

On-Site Health Screening - HQ Office


JUNE 2025

28 JUNE

New Penang Branch & Altus Residency Grand Opening Event

JULY 2025

08 July

HYB Group Training – General Cybersecurity Awareness

24 July

Fruit Festival Event - Ipoh Branch

25 July

Fruit Festival Event - Penang Branch

AUGUST 2025

04 August

Fruit Festival Event - JB Branch

08 August

Fruit Festival Event - HQ Office

11 August

Stamp Act 1949


15 - 18 August

HYB Group Training – AI Training Workplace Productivity


HIGHLIGHTS OF 2025 - 2026

AUGUST 2025

19 AUGUST

Stay Save & Save Smartly by UOB - JB Branch

20 AUGUST

Stay Save & Save Smart Talk By UOB - Penang Branch

27 AUGUST

46th AGM

29 AUGUST

Merdeka Celebration - Penang Branch

30 AUGUST

Blood Donation Event - Ipoh Branch

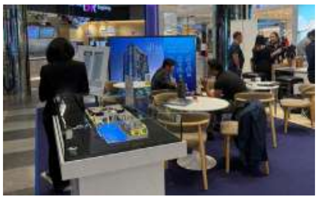
AUGUST 2025 - MARCH 2026

28 AUGUST - 01 SEPTEMBER 2025

Roadshow Sunway Carnival Mall - Penang Branch

30 OCTOBER - 02 NOVEMBER 2025

Roadshow Sunway Carnival Mall - Penang Branch



13 - 16 NOVEMBER 2025

Roadshow Sunway Carnival Mall - Penang Branch

18 - 21 DECEMBER 2025

Roadshow Sunway Carnival Mall - Penang Branch

19 - 23 MARCH 2026

Roadshow Sunway Carnival Mall - Penang Branch

10 SEPTEMBER

HYB Wellness & Financial Safety Day: Scam Awareness Talk, UOB Perks & Wellness Booths

SEPTEMBER 2025

12 SEPTEMBER

HYB Group Training - Corporate ESG Briefing Hosted By Public Bank

13 SEPTEMBER

Sales Gallery Event Malaysia Day Colouring Contest - Penang Branch

HIGHLIGHTS OF 2025 - 2026

SEPTEMBER - OCTOBER 2025

25 SEPTEMBER - 05 OCTOBER 2025

2025 Roadshow @ Lotus's Eco Tropics 26 - JB Branch

OCTOBER 2025

09 OCTOBER

Transformational Leadership

11 - 12 OCTOBER

Roadshow HerTrade Expo - Penang Branch

OCTOBER 2025

18 OCTOBER

Program Gotong Royong BUSI Sponsored By Hua Yang (CSR) - Ipoh Branch

19 OCTOBER

Fun Run & Azalea Showhouse Launch - Ipoh Branch

22 OCTOBER

Anti-Bribery and Anti-Corruptions ("ABAC") Training

30 OCTOBER

HYB Group Training : E-Invoicing Implementation In Malaysia

NOVEMBER 2025

03 - 09 NOVEMBER

Roadshow Mydin - Penang Branch

NOVEMBER 2025

17 - 18 NOVEMBER

AI Program - Accounts & Finance Team

29 NOVEMBER

Property Talk - Penang Branch

HIGHLIGHTS OF 2025 - 2026

DECEMBER 2025

08 DECEMBER

ERT (Basic Occupational First Aid, CPR & AED Training Course) - HQ & JB Branch

16 DECEMBER

Document Destruction

28 DECEMBER

New Year Community Workout Event - Ipoh Branch

FEBRUARY 2026

03 FEBRUARY

CNY Dinner - Penang Branch

04 FEBRUARY

CNY Dinner - Ipoh Branch

06 FEBRUARY

ERT Training @ Atas Event Space - Ipoh Branch

09 FEBRUARY

CNY Dinner - JB Branch

22 FEBRUARY

CNY Event At Ellington 23 - Ipoh Branch

26 FEBRUARY

CNY Event - HQ Office

28 FEBRUARY

CNY Appreciation Event - Ara Residensi Sales Gallery

HIGHLIGHTS OF 2025 - 2026

MARCH 2026

03 MARCH

Buka Puasa Dinner - Penang Branch

04 MARCH

Iftar Ramadhan - Ipoh Branch

16 MARCH

Buka Puasa Dinner - HQ office

28 MARCH

Sales Gallery Event Hari Raya Open House - Penag Branch

BOARD OF DIRECTORS

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

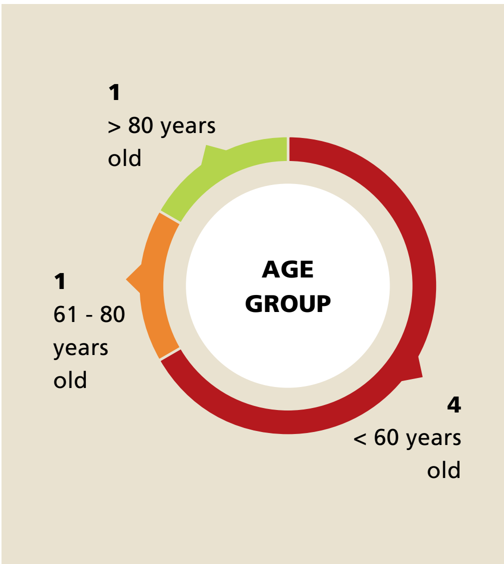
HO WEN YAN
Chief Executive Officer/ Executive Director

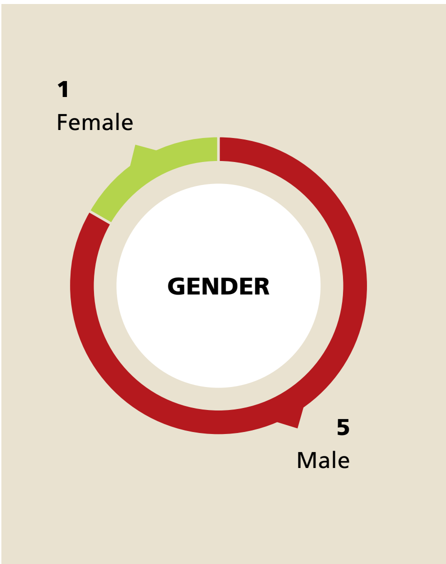
CHOO SENG CHOON
Independent Non-Executive Director

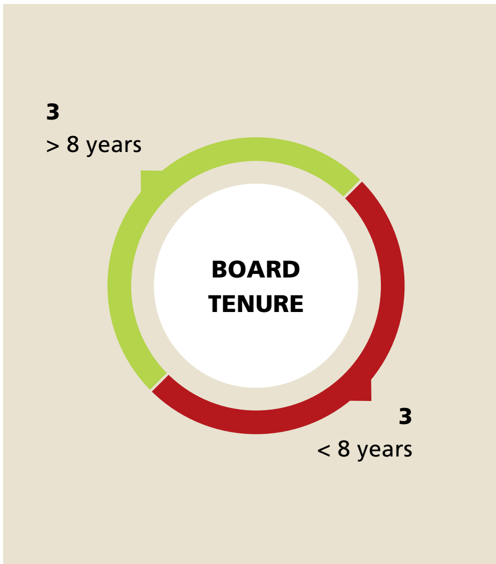
"HUA YANG BERHAD IS DEDICATED TO MAINTAINING THE UTMOST STANDARDS OF BUSINESS INTEGRITY, ETHICS, AND PROFESSIONALISM."

BOARD OF DIRECTORS

Y.A.M. TENGKU DATO' RAHIMAH BINTI AL-MARHUM SULTAN MAHMUD
Independent
Non-Executive Director







CHEW HOE SOON
Non-Independent
Non-Executive Director

HO WEN FAN
Non-Independent
Non-Executive Director

PROFILE OF DIRECTORS

TAN SRI DATO' SERI DR. TING CHEW PEH

Chairman/
Non-Independent Non-Executive Director

Nationality: Malaysian

Age: 83

Gender: Male

Board Committees:
Nil

Date Appointed to the Board:
1 June 2000

Tan Sri Dato' Seri Dr. Ting Chew Peh was appointed to the Board of Hua Yang Berhad ("Hua Yang") on 1 June 2000 as an Independent Non-Executive Director and was made the Chairman of the Board. He was re-designated as a Non-Independent Non-Executive Director on 1 June 2023. He holds a Bachelor of Arts Degree from University of Malaya, a Master of Science Degree from University of London, and a Doctorate in Philosophy from University of Warwick.

Tan Sri Dato' Seri Dr. Ting started his career as a lecturer in the Faculty of Social Sciences and Humanities at Universiti Kebangsaan Malaysia in 1974 until 1980. He was then appointed as an Associate Professor at the Faculty until 1987.

In 1987, Tan Sri Dato' Seri Dr. Ting ventured into politics with his election as a Member of Parliament for the Gopeng constituency, which he held until the 2008 general elections. He previously served as a Parliamentary Secretary of the Ministry of Health (1988 – 1989), Deputy Minister in the Prime Minister's Department (1989 – 1990), Minister of Housing and Local Government (1990 – 1999) and Secretary-General of Malaysian Chinese Association (MCA) (1990 – 2005).

In the corporate sector, he served as an Independent Director of Puncak Niaga Holdings Berhad from July 2000 and retired in May 2018. He currently sits on the Boards of Goodmorning Group Berhad, UTAR Education Foundation and Hospital Universiti Tunku Abdul Rahman. He also serves as a Director of several private companies.

HO WEN YAN

Chief Executive Officer/
Executive Director

Nationality: Malaysian

Age: 52

Gender: Male

Board Committees:
Nil

Date Appointed to the Board:
1 June 2007

Mr. Ho Wen Yan was appointed to the Board of Hua Yang on 1 June 2007. He received his architectural training in the United Kingdom at the University of Bath and the Architectural Association, and also holds a Master of Science (Construction Economics and Management) Degree from University College London.

He joined Hua Yang on 20 October 2003 as a Project Coordinator at its Johor Branch. He has served as an Executive Director of the Group since 1 June 2007 and was appointed Chief Executive Officer on 20 August 2010.

He was appointed to the Board of Magna Prima Berhad on 13 February 2017 as Executive Director. On 13 February 2020, he was redesignated from Executive Director to Non-Independent Non-Executive Director of Magna Prima Berhad.

PROFILE OF DIRECTORS

CHEW HOE SOON

Non-Independent Non-Executive Director

Nationality: Malaysian

Age: 74

Gender: Male

Board Committees:
- Member of Audit Committee, Remuneration Committee and Nomination Committee

Date Appointed to the Board:
2 June 2003

Mr. Chew Hoe Soon was appointed to the Board of Hua Yang on 2 June 2003. He holds a Bachelor of Economics (Accounting) Degree (Honours) and a Diploma in Accounting, both from University Malaya. He is also a member of the Malaysian Institute of Accountants (MIA).

Mr. Chew Hoe Soon has extensive experience in finance as well as the sales and marketing of consumer products, having served for many years as Managing Director of a large multinational corporation.

Y.A.M. TENGKU DATO' RAHIMAH BINTI AL-MARHUM SULTAN MAHMUD

Independent Non-Executive Director

Nationality: Malaysian

Age: 60

Gender: Female

Board Committees:
- Chairman of Remuneration Committee
- Member of Audit Committee and Nomination Committee

Date Appointed to the Board:
23 May 2018

Y.A.M. Tengku Dato' Rahimah was appointed to the Board of Hua Yang on 23 May 2018. She holds a Bachelor of Science degree in Economics and Accountancy from The City of London University, England.

Y.A.M. Tengku Dato' Rahimah was appointed the Chairman of Loh and Loh Corporation Berhad ("LLCB") on 19 September 2008 until 2012. From 2012 until 2017, she co-owned shares in LLCB and continued to hold the position of the Chairman of LLCB and Director in Loh and Loh Construction Sdn Bhd until November 2017.

She also served as a Non-Independent Non-Executive Director of Puncak Niaga Holdings Berhad from August 2006 to October 2019.

Y.A.M. Tengku Dato' Rahimah has extensive working experience across various sectors, including management, construction, agriculture, trading and tourism, through her involvement in and ownership of various companies.

PROFILE OF DIRECTORS

CHOO SENG CHOON

Independent Non-Executive Director

Nationality: Malaysian

Age: 52

Gender: Male

Board Committees:
- Chairman of Audit Committee and Nomination Committee
- Member of Remuneration Committee

Date Appointed to the Board:
30 August 2023

Mr. Choo Seng Choon was appointed to the Board of Hua Yang on 30 August 2023. He is a Certified Public Accountant of the Malaysian Institute of Certified Public Accountants, a Chartered Accountant of the Malaysian Institute of Accountants, a Fellow Member of the Association of Chartered Certified Accountants (UK), a Chartered Member of the Institute of Internal Auditors Malaysia, and a Certified Internal Auditor. He also holds a Diploma in Financial Accounting from Tunku Abdul Rahman College, Kuala Lumpur.

Mr. Choo Seng Choon has over twenty-nine (29) years of professional and commercial experience across multiple disciplines, including internal audit, risk and financial management, performance and business management, initial public offerings (IPOs), taxation, due diligence, corporate finance, business process re-engineering, investigations, corporate governance and financial audits.

He currently owns and manages a corporate advisory firm specialisingin business advisory, risk management and internal audit services for a wide range of public listed, multi-national and private companies operating in Malaysia and the Asia Pacific regions.

Mr. Choo Seng Choon also serves as an Independent Non-Executive Director in LTKM Berhad, EA Holdings Berhad and Vinvest Capital Holdings Berhad.

HO WEN FAN

Non-Independent Non-Executive Director

Nationality: Singaporean

Age: 48

Gender: Male

Board Committees:
Nil

Date Appointed to the Board:
10 March 2026

Mr. Ho Wen Fan was appointed to the Board of Hua Yang on 10 March 2026. He holds a Bachelor of Science (Economics) degree from the University of Bristol, United Kingdom, and is a Certified Financial Risk Manager.

Mr. Ho Wen Fan began his career with OCBC Bank Singapore, where he spent three (3) years in the Risk Management Division. He then joined Deutsche Bank Group in Singapore and was subsequently posted overseas, serving for five (5) years in the bank's Japan office.

He is currently responsible for managing the investment portfolio of Heng Holdings Sdn. Berhad, a substantial shareholder of the Company.

OTHER INFORMATION OF DIRECTORS

FAMILY RELATIONSHIP

None of the Directors have any relationship with each other or with the major shareholders of the Company, except that:
(i) Directors, Ho Wen Yan and Ho Wen Fan are siblings and the nephews of Director, Chew Hoe Soon;
(ii) Directors, Ho Wen Yan and Ho Wen Fan are siblings of the Major shareholders, Ho Min Yi and Ho Wen Han; and
(iii) Directors, Ho Wen Yan and Ho Wen Fan are the children of the Major Shareholder, Chew Po Sim.

CONFLICT OF INTEREST (COI)

Nature of COI	Nature and Extent of Interest of Conflicted Director	Measures Taken to Address COI
Potential conflict of interest in view of directorship in another company in the property development sector	Ho Wen Yan serves as a Non-Executive Director of Magna Prima Berhad (MPB).	MPB Group is principally involved in high-end property development, whereas Hua Yang Group mainly focuses on affordable housing developments. Ho Wen Yan is not involved in the day-to-day operational decision-making of MPB. To address any potential conflict of interest, particularly in relation to land acquisition opportunities, Ho Wen Yan shall abstain from and recuse himself from all deliberations and decision-making at both the Land Committee and Board levels whenever matters involving potential conflicts are considered.

LIST OF CONVICTIONS OF OFFENCE

None of the Directors have been convicted for any offences (other than traffic offences), public sanction or received any penalty imposed by the relevant regulatory bodies inside or outside Malaysia within the past five (5) years.

ATTENDANCE OF THE BOARD

All the Directors have complied with the minimum 50% attendance in respect of Board Meeting as required in the Listing Requirements. There were five (5) Board Meetings held during the financial year ended 31 March 2026 and the attendance of each Director is as follows:

Name of Director		Attendance
1.	Tan Sri Dato' Seri Dr. Ting Chew Peh	5/5
2.	Ho Wen Yan	5/5
3.	Chew Po Sim (resigned w.e.f. 3 March 2026)	4/4
4.	Chew Hoe Soon	5/5
5.	Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud	5/5
6.	Choo Seng Choon	5/5
7.	Ho Wen Fan (appointed to the Board w.e.f. 10 March 2026)	1/1

SENIOR MANAGEMENT

The Chief Executive Office/Executive Director form the Senior Management and his profile is not presented separately.

None of the Directors have been convicted for any offences (other than traffic offences), public sanction or received any penalty imposed by the relevant regulatory bodies inside or outside Malaysia within the past five (5) years.

CHAIRMAN'S STATEMENT

DEAR SHAREHOLDERS,

IN OUR PREVIOUS FINANCIAL YEAR, HUA YANG EMPHASISED FINANCIAL RESILIENCE AND OPERATIONAL EFFICIENCY AMID A SUBDUED PROPERTY MARKET. SIMILARLY, THE FYE 2026 EXPERIENCED ANOTHER VOLATILE YEAR THAT TESTED THE RESILIENCE OF THE PROPERTY DEVELOPMENT INDUSTRY.

Against a backdrop of economic uncertainty, geopolitical tensions, rising construction and energy costs, and an increasingly competitive market, the Group remained focused on strengthening its foundation and preparing for future opportunities.

NAVIGATING A TRANSITIONAL YEAR

On behalf of the Board of Directors, I am pleased to present Hua Yang's 2026 Annual Report for the financial year ended 31 March 2026 (FYE 2026), reflecting a transitional financial year of navigating external uncertainties, such as longer-than-anticipated approval, the expansion of the Sales and Service Tax, loan rejections, US tariffs, the Iran conflict, and oil price increase.

Although the reduction in interest rates by 0.25% during the year provided some relief to homebuyers and businesses, the monetary stimulation was insufficient to fully offset the broader cost pressures affecting the industry, and buyer affordability.

As our ongoing projects were mostly approaching their final completion stages during the financial year, we diligently focused on consolidating our position, advancing critical land acquisitions, fortifying our development pipeline, and embedding sustainability deeper into our operations.

SETTING THE STAGE FOR FYE 2027

We recognise that meaningful growth requires disciplined preparation, operational agility, and prudent financial management. Therefore, we braced the headwinds of FYE 2026 by finalising important groundwork to position Hua Yang well for a more active execution in FYE 2027.

Although FYE 2026 proved to be a more challenging year for Hua Yang compared with FYE 2025, the Group maintained a careful and forward-thinking approach. Rather than pursuing aggressive launches in a constrained market, we prioritised securing approvals, optimising project phasing, and ensuring our product offerings remain accessible to core Malaysian homebuyers. Our strategy was clear: to maintain balance sheet strength, manage cash flow cautiously, and build a proactive scalability, while getting ready for market rebounds.

CHAIRMAN'S STATEMENT

FINANCIAL PERFORMANCE

For FYE 2026, Hua Yang recorded a Revenue of RM64.0 million, down from the RM104.6 million reported in FYE 2025. With fewer ongoing projects were in active construction phases, and several new launches pending regulatory approvals and favourable market timing, together with compressed margins from lower economies of scale and sustained operating overheads, the Group posted a Net Loss After Tax of RM4.7 million, translating into a negative Earnings Per Share (EPS) of 1.04 sen.

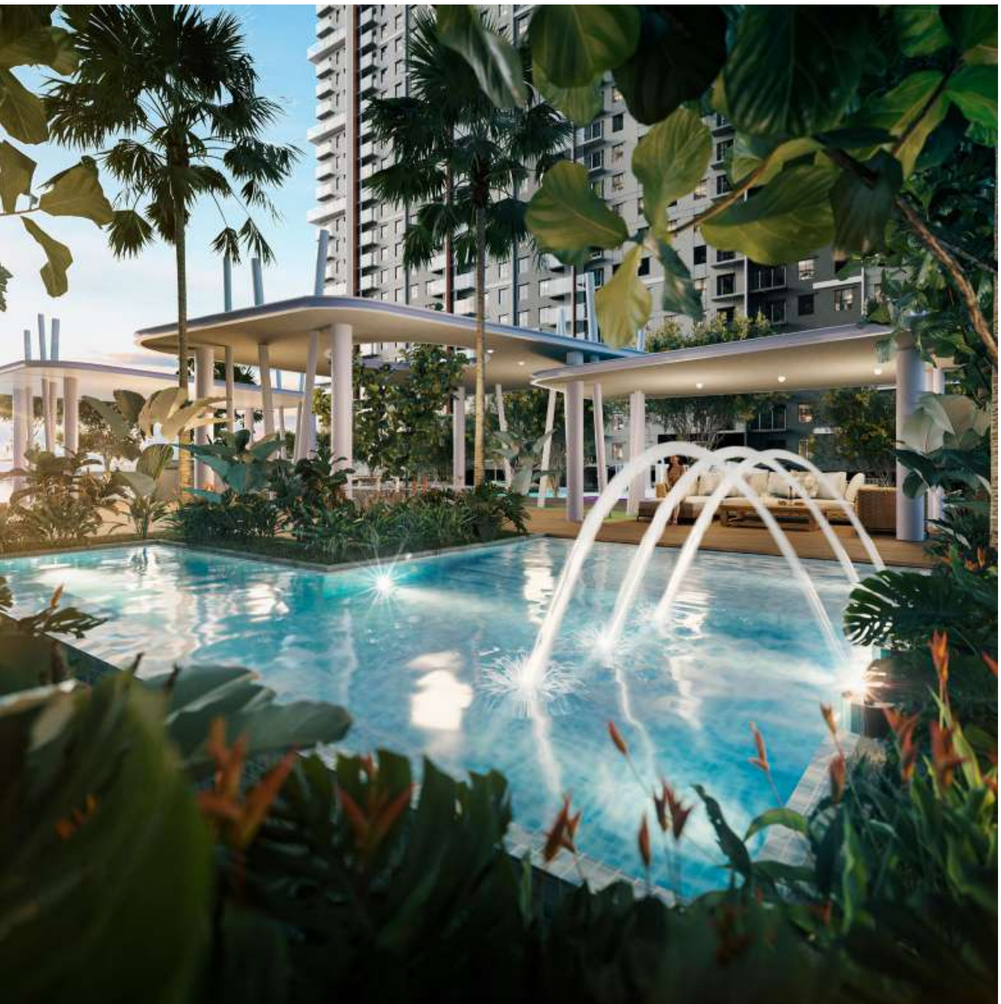
While a net loss is undesirable, the Board viewed this as a cyclical effect of our project timelines rather than a fundamental flaw. The outcome did not diminish the underlying strengths of our business model, our landbank strategy, or our commitment to delivering quality and affordable developments in locations where demand fundamentals remain intact.

DEVELOPMENT HIGHLIGHTS

Most importantly, the core earnings and cash flow for the year were sustained by three key developments: Taman Ara Saujana in Dengkil (Selangor), Elemence in Pasir Gudang (Johor), and Bandar U in Seri Iskandar (Perak).

These developments continued to demonstrate the strength of Hua Yang's affordable mid-range housing proposition and its ability to cater to the needs of owner-occupiers seeking quality homes within accessible price points.

Although no major project completions were recorded during FYE 2026, the Group successfully launched Ara Residences in Puchong (Selangor) and Altus Residency in Prai (Penang), both of which represent important additions to our pipeline and reinforce our presence in strategic growth locations.



"WE RECOGNISE THAT MEANINGFUL GROWTH REQUIRES DISCIPLINED PREPARATION, OPERATIONAL AGILITY, AND PRUDENT FINANCIAL MANAGEMENT. THEREFORE, WE BRACED THE HEADWINDS OF FYE 2026 BY FINALISING IMPORTANT GROUNDWORK TO POSITION HUA YANG WELL FOR A MORE ACTIVE EXECUTION IN FYE 2027."

CHAIRMAN'S STATEMENT

LAND ACQUISITIONS

To support our medium-to-long-term development pipeline, the Group successfully expanded its landbank during the financial year. This was achieved through the direct acquisition of two development land parcels in Dengkil (7.33 acres) and Rawang (6.27 acres), alongside the acquisition of a wholly-owned subsidiary, Sulaiman Properties Sdn. Bhd., with 9.34 acres in Pusing.

The Board believes that maintaining quality landbank in locations with favourable growth prospects remains essential to sustaining future earnings and ensuring the Group is well-positioned to respond to market opportunities when conditions improve.

"THE BOARD RECOGNISES THAT ESG CONSIDERATIONS ARE BECOMING INCREASINGLY IMPORTANT TO INVESTORS, REGULATORS, CUSTOMERS AND COMMUNITIES. AS SUCH, WE REMAIN COMMITTED TO IMPLEMENTING RESPONSIBLE BUSINESS PRACTICES THROUGHOUT OUR OPERATIONS WHILE BALANCING AFFORDABILITY, QUALITY AND LONG-TERM SUSTAINABILITY."

EMBEDDING ESG INTO OUR DREAMS CORE VALUES

Meanwhile, sustainability is no longer a secondary consideration; it is integral to Hua Yang's long-term viability, stakeholder trust, and operational resilience. To ensure Environmental, Social, and Governance (ESG) principles are actionable and measurable, we are actively aligning them with our core DREAMS values:

D

Dependable: Earning buyer trust by consistently performing at the highest standards;

R

Reliable: Ensuring effective management through strong organisational productivity;

E

Efficient: Making operational efficiency a core part of the corporate culture;

CHAIRMAN'S STATEMENT

These values continue to guide our approach to development, stakeholder engagement, operational management and decision-making.

The Board recognises that ESG considerations are becoming increasingly important to investors, regulators, customers and communities. As such, we remain committed to implementing responsible business practices throughout our operations while balancing affordability, quality and long-term sustainability.

A

Affordable: Providing accessible and value-for-money housing for all Malaysians;

M

Motivated: Investing in our internal talent to meet customer needs and add value;

S

Sustainable: Developing eco-friendly projects that benefit customers, society and the environment.

FYE 2027 OUTLOOK AND PROSPECTS

The Board maintains an optimistically cautious outlook for FYE 2027. While certain challenges are expected to persist in the near term, Malaysia's property market continues to be supported by underlying demand for affordable housing, ongoing urbanisation, infrastructure development and favourable demographic trends.

As market conditions gradually stabilise, we expect demand for well-located and affordably priced developments to remain resilient.

For Hua Yang, FYE 2027 will be a pivotal year. Much of the preparatory work undertaken during FYE 2026 has established the foundation for upcoming launches and growth initiatives. With approvals progressing and project pipelines taking shape, management's focus will be on executing these launches effectively and converting opportunities into sustainable earnings growth.

Surely, the Board remains committed to prudent capital management, disciplined project execution and delivering long-term value to all stakeholders.

BOARD CHANGES AND ACKNOWLEDGEMENT

We are deeply grateful to Madam Chew Po Sim, who stepped down as a Non-Executive Director during the year. Her years of dedicated service and invaluable guidance have left a lasting mark on the Group.

Concurrently, we warmly welcome Mr. Ho Wen Fan to our board as a Non-Independent Non-Executive Director. We look forward to leveraging his professional expertise and insightful perspectives to drive Hua Yang's growth.

APPRECIATION

On behalf of the Board, I wish to extend my sincere gratitude to our management team and employees for their dedication, professionalism and resilience throughout a challenging year.

We are also deeply thankful to our customers, business partners, contractors, consultants, financial institutions, regulators and the communities we serve for their continued trust.

Finally, I would like to express my heartfelt appreciation to our shareholders. Your steadfast confidence is the foundation of Hua Yang's growth, progress and success.

Sincerely,

Tan Sri Dato' Seri Dr. Ting Chew Peh
Chairman / Non-Independent Non-Executive Director
Hua Yang Berhad

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

HUA YANG BERHAD REMAINS FUNDAMENTALLY FOCUSED ON BUILDING QUALITY, AFFORDABLE RESIDENTIAL PROPERTIES WITHIN HIGH-GROWTH, INFRASTRUCTURE-LINKED CORRIDORS ACROSS MALAYSIA. DURING FYE 2026, THE GROUP OPERATED IN A TRANSITIONAL PHASE, SHIFTING FROM CONSTRUCTION-LEANING TO STRATEGIC LAND ACQUISITION, LAUNCH PREPARATION, AND OPERATIONAL OPTIMISATION.

STRATEGIC OVERVIEW

Our business model continues to be anchored on disciplined capital allocation, selective project phasing, and a customer-centric product strategy. The Group's core strengths lie in its diversified regional footprint, an integrated supply chain, and a governance framework that embeds sustainability and efficiency into our DREAMS values (Dependable, Reliable, Efficient, Affordable, Motivated, Sustainable).

Although revenue and profitability were impacted by project completion cycles and delays in new launches, the Group continued to lay the groundwork for future expansion through strategic land acquisitions and project preparations for FYE 2027.

During FYE 2026, the Group's operations were mainly concentrated in the Klang Valley, Johor and Perak. Key contributors included ongoing developments such as Taman Ara Saujana in Dengkil (Selangor), Elemence in Pasir Gudang (Johor), and Bandar U in Seri Iskandar (Perak).

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

FYE 2026 OPERATING ENVIRONMENT AND MARKET CHALLENGES

FYE 2026 was defined by persistent challenges as Hua Yang operated against a backdrop of ongoing economic hurdles and industry friction. The Malaysian real estate market saw softer activity and more selective buyer behaviour as a result of several converging factors:

Cost Inflation and Geopolitical Pressures:

Ongoing international conflicts and supply chain disruptions continue to drive up costs;

Tightening Financing Conditions:

Financial institutions maintained cautious lending policies, making it harder for some buyers to get a mortgage;

Buyer Behaviour Shift:

Due to rising living costs and economic instability, consumer behaviour has shifted towards delayed purchasing;

Project Approvals and Pipeline Delays:

Extended approval timelines for development projects impacted launch schedules and revenue recognition timing, resulting in delays in replenishing the Group's development pipeline;

Market Overhang:

Data from the National Property Information Centre (NAPIC) indicated a concern in unsold housing, particularly mid-to-upper tier developments.

Confronted with these challenges, Hua Yang remained focused on operational discipline, cost optimisation and prudent project planning.

The Group also adopted a selective approach towards new project launches, carefully evaluating market demand, product positioning and sales prospects before committing resources. This disciplined strategy allowed Hua Yang to prioritise developments with stronger market potential and minimise exposure to market uncertainties.

By procuring major commodities such as steel, cement, bricks, and tiles directly at bulk scale, our trading division supplied raw materials directly to our appointed site contractors to eliminate middleman markups and insulate our supply chain from sudden price hikes. This strategy allows us to have better control over procurement costs, minimise the impact of material price fluctuations, and enhance supply chain reliability.

Meanwhile, by applying the Quality Assessment System in Construction (QLASSIC) standards into our daily workflows, we managed to reduce post-handover rectification expenses, thus enhancing our brand value as a dependable developer while aligning with our sustainability goals.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

FINANCIAL PERFORMANCE REVIEW

For the financial year under review, the Group recorded a total revenue of RM64.0 million, representing a decline, in comparison to the RM104.6 million achieved in FYE 2025. This contraction was mainly due to lower contribution from ongoing developments as several projects approached completion stages. In addition, delays in new project launches arising from regulatory approval-related timelines limited the replenishment of revenue-generating activities during the year.

Profit After Tax (PAT) stood at a loss of RM4.7 million, with Earnings Per Share (EPS) at negative 1.04 sen. Consequently, the Group recorded a Return on Assets (ROA) of negative 0.53%, reflecting the temporary mismatch between the Group's asset base and earnings generation during the year.

This shortfall was driven by lower revenue generation against fixed corporate overheads, alongside upfront expenditures required for site preparation, statutory compliance, and pre-launch infrastructure. While margins faced compression from rising material and logistics costs, our in-house procurement strategy and phased development approach prevented more severe profitability erosion.

Cash flow, liquidity and working capital experienced a planned reduction during the year. The contraction was due to capital deployment ahead of future launches. These expenditures included the construction of sales galleries, statutory compliance payments, infrastructure works, structural piling works and other pre-development costs necessary to support the Group's future project pipeline.

Liquidity remains adequately supported by existing credit facilities and internal cash reserves. Management's immediate focus for FYE 2027 includes systematic debt reduction to lower financing costs, improve the net gearing ratio, and enhance financial flexibility for accelerated project execution. In other words, reducing borrowings and strengthening cash flow remain among the Group's priorities moving forward.

LANDBANK AND GROSS DEVELOPMENT VALUE (GDV)

As of 31 March 2026, the Group's undeveloped landbank stood at 394 acres, with an estimated Gross Development Value (GDV) of RM4.8 billion. This substantial land inventory provides approximately 9 to 10 years of sustained development activity. The healthy pipeline offers investors strong revenue visibility and the operational agility to capitalise on market demand in key growth areas.

A key highlight of our fiscal year was landbank expansion involving three lots: 7.33 acres in Dengkil (Selangor), 6.27 acres in Rawang (Selangor), and 9.34 acres in Pusing (Perak, secured via the acquisition of a wholly-owned subsidiary, Sulaiman Properties Sdn. Bhd.).

Total Revenue FYE 2026

RM64.0
MILLION

(FYE 2025 Revenue **RM104.6 million***)*

Gross Development Value (GDV)

RM4.8
BILLION

This substantial land inventory provides approximately 9 to 10 years of sustained development activity.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

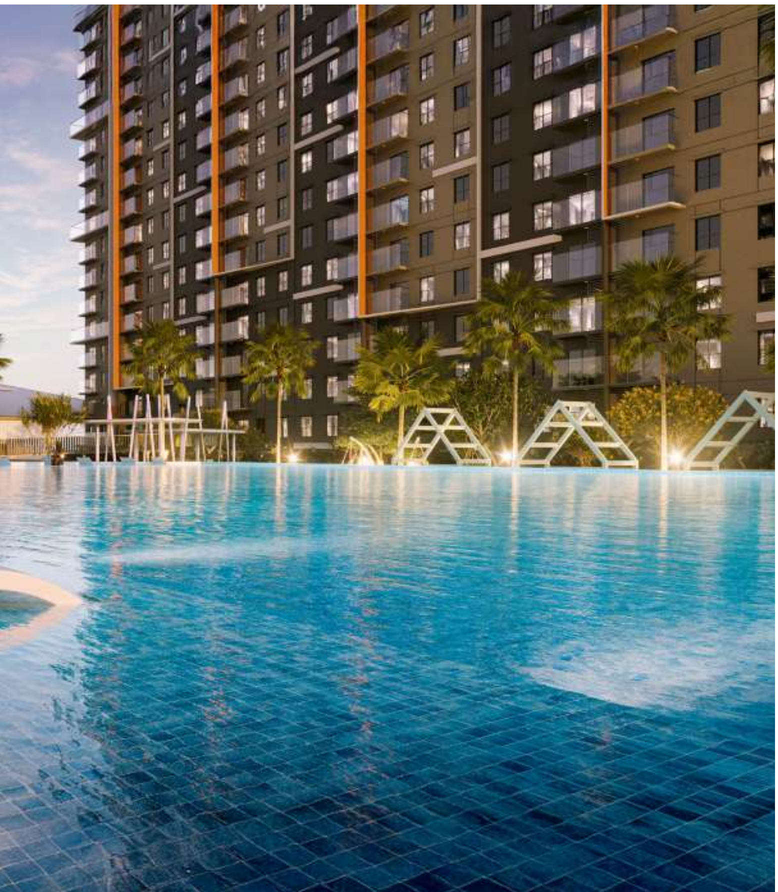
PROJECT PORTFOLIO AT A GLANCE

The Group's ongoing development pipeline carried a total GDV of RM534 million during FYE 2026. Key active sites included: Taman Ara Saujana in Dengkil, Elemence in Pasir Gudang (Phases 5P2A, 5P2B and 5P2C(1)), and Bandar U in Seri Iskandar (Azalea Phase 1 and Santolina Phase 1).

Taman Ara Saujana continued to contribute positively to earnings and cash flow during the year. The development remains a key component of the Group's presence in the Klang Valley, particularly growing residential suburbs.

Elemence in the Iskandar Malaysia economic region rides on easy access to major highways like Pasir Gudang Highway and Senai-Desaru Expressway to benefit from Johor's long-term growth potential and increasing economic activity.

Bandar U is strategically situated halfway between Ipoh and Manjung, with direct access to the Ipoh-Lumut Highway. The integrated township nestles in a major educational hub comprising Universiti Teknologi PETRONAS (UTP) and Universiti Teknologi MARA (UiTM).



FYE 2026 NEW LAUNCHES

On new launches, Hua Yang successfully introduced Ara Residences @ Puchong Horizon (Klang Valley) and Altus Residency in Prai (Penang). These developments expand the Group's portfolio in strategic urban locations and are expected to contribute to future earnings as sales and construction progress.

FYE 2027 LAUNCHES IN THE PIPELINE

For FYE 2027, Hua Yang has outlined five new launches in high-growth suburbs to strengthen the Group's market presence and support future growth. These upcoming developments will be Elemence Phase 3P1A in Pasir Gudang (Johor), Azalea Phase 2 of Bandar U in Seri Iskandar (Perak), Rumah Selangorku (RSKU) affordable housing in Kajang, and two more new projects in Bemban and Tronoh (Perak).

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

REGIONAL PRESENCE AND MARKET POSITION

By operating across multiple regions, this geographic diversification strategy safeguards Hua Yang against any single state's market volatility, ensuring a more stable overall performance.

01 KLANG VALLEY

This region remains our core revenue driver, benefiting from consistent population growth, infrastructure expansion, and sustained demand for well-located affordable housing. The launch of Ara Residences @ Puchong Horizon reinforces our competitiveness in mature, highly accessible suburbs. After all, Klang Valley is the country's primary economic and employment hub with unmatched infrastructure and connectivity.

02 JOHOR

The southernmost state displays resilient demand, driven by the near-completion Johor Bahru-Singapore Rapid Transit System (RTS) Link, strong development momentum in Iskandar Malaysia (South Johor Economic Region), and cross-border economic growth. The steady sales of Elemence in Pasir Gudang highlights our product-market fit within this strategic corridor.

03 PERAK

Hua Yang's Bandar U township development in Seri Iskandar underscores our successful expansion into a regional growth area that doubles as an education hub, giving the Group the advantage of riding on long-term demand for affordable landed properties. In addition, Seri Iskandar is the administrative centre of Perak Tengah District.

04 PENANG

Following last year's successful handover of Aston Acacia in Bukit Mertajam, our presence in the northern region is currently shifting towards a consolidation phase. However, the recent launch of Altus Residency in Prai continues to show our ongoing undertakings in this high-growth region.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

"HUA YANG'S MULTI-STATE PRESENCE ENSURES THAT THE GROUP DOES NOT RELY ON ANY SINGLE MARKET FOR GROWTH. FROM TOWNSHIP DEVELOPMENT IN PERAK AND JOHOR TO HIGH-RISE HOUSING IN THE KLANG VALLEY AND PENANG, OUR REGIONAL STRATEGY DIRECTLY ADDRESSES THE NATIONWIDE DEMAND FOR AFFORDABLE, ACCESSIBLE HOUSING. THIS BALANCED APPROACH PROVIDES A RESILIENT FOUNDATION FOR OUR SUSTAINED FINANCIAL HEALTH AND OPERATIONAL STABILITY."

FYE 2027 OPERATIONAL PRIORITIES

The Board has set five (5) key pillars to advance our corporate priorities throughout the next financial year:

- **Sales Execution & Construction Acceleration:** Step up booking conversions and speed up physical site progress across all active phases to secure steady, progressive billings;
- **Cost Optimisation:** Continue disciplined budget management such as leveraging in-house procurement, digitally driven project monitoring, and lean construction methods to protect margins;
- **De-gearing the Balance Sheet:** Prioritise project billings towards reducing bank borrowings to reduce interest expenses, improve net gearing, and strengthen balance sheet resilience;
- **Digital Transformation:** Accelerate the adoption of integrated systems, AI-driven analytics, and digital tools across project management, sales tracking and customer engagement, while upskilling staff for operational efficiency and cost optimisation;
- **Branding & Social Media Campaigns:** Intensify targeted marketing through digital channels, community engagement, and lifestyle-focused branding to improve project visibility and buyer conversion.

FYE 2027 GROWTH TARGET

Despite external uncertainties like geopolitical conflicts, oil price fluctuations, and property market overhangs, Hua Yang maintains a cautiously optimistic outlook for FYE 2027, driven by sustained urbanisation that supports the underlying demand for affordable housing. Backed by forthcoming product pipeline and optimised cost structure, and with our presence in all those growth regions as discussed earlier, the Group remains focused on driving sustainable growth and delivering long-term value in the next financial year.

Sincerely,

Ho Wen Yan
Chief Executive Officer (CEO)
Hua Yang Berhad

SUSTAINABILITY STATEMENT

AT HUA YANG, SUSTAINABILITY IS INTEGRATED INTO OUR BUSINESS AS WE DELIVER AFFORDABLE HOUSING ACROSS A GROWING NATION.

As a property developer spanning the northern, central, and southern regions of Malaysia, we understand that our strategic decisions carry economic, environmental and social responsibilities that reach far beyond the physical structures we build.

While our sustainability journey continues to evolve, we remain committed to integrating Environmental, Social and Governance (ESG) considerations into our business operations in a practical and responsible manner. We acknowledge that sustainability is an ongoing process that requires continuous improvement, stronger data management, greater transparency and closer engagement with stakeholders.

Guided by our "Structured for Growth, Built on Strength, Driven by Sustainability" tagline, this Sustainability Statement has been prepared with reference to the Sustainability Reporting Guide by Bursa Malaysia Securities Berhad (Bursa Malaysia), covering the ESG matters considered material to the Group for the financial year ended 31 March 2026 (FYE 2026).

ECONOMIC SUSTAINABILITY

For more information, please refer to ***page 38****.*

ENVIRONMENTAL SUSTAINABILITY

For more information, please refer to ***page 39****.*

SOCIAL SUSTAINABILITY

For more information, please refer to ***pages 40 to 47****.*

ESG (8 UN SDGS Adopted)

SUSTAINABILITY GOVERNANCE

The Board of Directors maintains ultimate oversight of sustainability matters, supported by the Chief Executive Officer (CEO), senior management and the Sustainability Committee, who are responsible for guiding, monitoring and implementing sustainability initiatives across the Group.

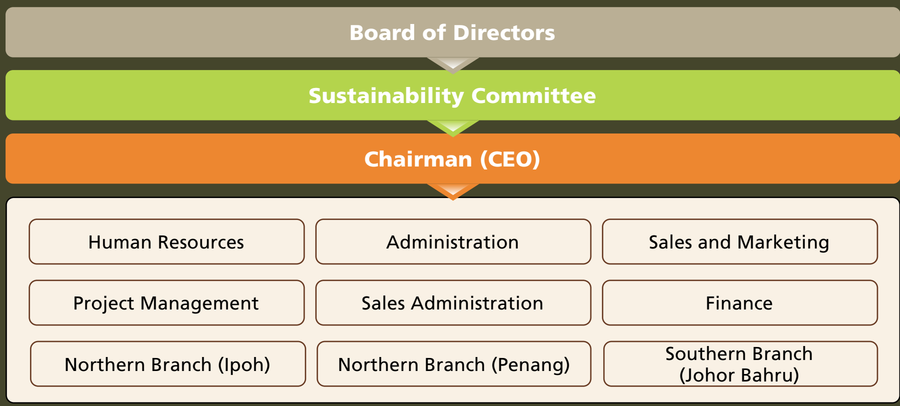
At the operational level, the Heads of Departments at the Group's Headquarters across Finance, Human Resources and Administration, Sales Administration, Sales and Marketing, and Project Management collaborate with the regional offices in Penang, Ipoh, and Johor Bahru to execute sustainability initiatives within their respective areas.

Sustainability-related matters are integrated into the respective departments' operational monitoring processes and are generally reviewed on a monthly or quarterly basis, alongside mid-year performance reviews. This approach enables the Group to identify emerging concerns, monitor operational performance and respond appropriately to evolving stakeholder expectations.

SUSTAINABILITY STATEMENT

Sustainability Governance Structure

Guided by our commitment to sustainable growth, the Group has established a sustainability governance structure that provides clear oversight, accountability and responsibilities across all levels of the organisation. This framework enables the Board of Directors, Management and operational teams to work collaboratively in integrating sustainability into the Group's strategy, decision-making processes and day-to-day operations, while supporting the effective management of material sustainability matters.



Governance Structure	Roles & Responsibility
Board of Directors	**Role** Retains overall responsibility for the Group's sustainability governance. **Responsibilities** • Leads the development and implementation of the Group's sustainability strategy. • Approves key sustainability matters, including policies, targets and disclosures. • Ensures sustainability is integrated into business planning and communicated across the organisation and to stakeholders.
Sustainability Committee	**Role** Provides oversight of the Group's financial reporting, internal controls, compliance, and risk management. **Responsibilities** • Reviews financial statements to ensure accuracy, transparency, and compliance with relevant standards. • Oversees internal audit, compliance, and risk management functions, including ESG-related risks. • Evaluates the effectiveness of internal controls and ensures adherence to laws, regulations, and governance policies.
CEO	**Role** Leads the execution of the Group's sustainability strategy and champions sustainability across the organisation. **Responsibilities** • Embeds sustainability into the Group's culture, operations, and leadership priorities. • Oversees ESG integration across all business functions and monitors progress against targets. • Engages key stakeholders on sustainability matters and ensures material issues are addressed at the executive and Board levels.
Sustainability Working Committee (Departments & Branches)	**Role** Supports the implementation of sustainability initiatives within their respective functions in alignment with Group-wide direction. **Responsibilities** • Executes departmental/ branch-level sustainability action plans and contributes to Group sustainability targets. • Monitors and reports relevant ESG data and progress to the Sustainability team. • Promotes awareness and adoption of sustainability practices within daily operations.

SUSTAINABILITY STATEMENT

REPORTING PERIOD, SCOPE AND BOUNDARY

When, Where and What

This Sustainability Statement covers the period from 1 April 2025 to 31 March 2026, unless otherwise stated. The reporting Scope and Boundary encompasses Hua Yang's domestic operations in Malaysia, including its headquarters in Selangor and regional offices in Penang, Ipoh and Johor Bahru, as well as business activities where the Group exercises operational control.

Basis of Preparation and Data Sources

Prepared in reference to the Bursa Malaysia's Sustainability Reporting Guide, the information is compiled internally based on operational data and inputs from relevant departments. While the Group's financial information is subject to external statutory audit, non-financial sustainability data is currently reviewed through internal management-level verification processes. The Group is progressively enhancing its internal Standard Operating Procedures (SOPs) to improve data traceability and reporting consistency.

STAKEHOLDER ENGAGEMENT AND AREAS OF INTEREST

The Group identifies and prioritises material sustainability matters through internal management processes, operational feedback, and ongoing engagements with key stakeholders.

Stakeholders and Engagements

The Group engages with a diverse range of stakeholders to understand their expectations, address their concerns and strengthen long-term relationships. Our key stakeholder groups include customers, employees, shareholders and investors, financial institutions, suppliers and contractors, regulatory authorities, local communities and the media.

Engagement was conducted through multiple channels including customer service platforms, sales galleries, project launches, internal meetings, performance reviews, regulatory submissions, investor communications, supplier evaluations, site coordination meetings and community engagement activities.

Through these engagements and internal operational reviews, the Group continues to monitor sustainability matters relevant to its business operations, as shown in the table that follows:

Stakeholders	Key Areas of Interest	Engagement Channels	Frequency
Customers	• Product quality • Defect management • Data protection	• Sales galleries • Corporate website • Emails • Social media • Sales & Marketing events • Project previews	As and when required
Employees	• Performance • Workplace environment • Training and development	• Meetings • Townhall sessions • Performance reviews • Internal communications • Training programmes	Periodic / Annually / As required

Stakeholders	Key Areas of Interest	Engagement Channels	Frequency
Regulatory Authorities	• Compliance • Governance • Safety and statutory requirements	• Submissions • Inspections • Announcements • Regulatory reporting	As required / Annually / Periodic
Shareholders & Investors	• Financial performance • Business updates • Governance	• Annual reports • Annual General Meeting • Extraordinary General Meeting • Bursa announcements • Corporate website • Investor enquiries	Periodic / As required / Annually
Financial Institutions	• Financial position • Funding requirements • Project updates	• Meetings • Presentations • Site visits • Documentation	As and when required
Suppliers & Contractors	• Procurement • Project delivery • Quality • Safety	• Contracts • Tenders • Meetings • Site coordination • Evaluation and performance review • Qlassic Assessment	As and when required / Continuous
Media	• Corporate updates • Announcements • Events	• Press releases • Interviews • Corporate communications	As and when required
Local Communities	• Community impact • Development activities	• Community engagement activities • Social media • Project updates • Corporate Social Responsibility (CSR) initiatives	As and when required

The material matters as summarised above consistently reflect the nature of our property development activities.

Emerging Sustainability Matters

For FYE 2026, there were no significant changes to Hua Yang's material sustainability matters compared to the previous reporting period. While the Group currently focuses on existing operational priorities, we recognise emerging sustainability topics such as climate-related physical risks (extreme weather affecting construction), resource efficiency, and sustainable land use. These emerging sustainability matters are being considered in our ongoing business reviews as we adapt to evolving regulatory requirements.

SUSTAINABILITY STATEMENT

ECONOMIC SUSTAINABILITY

Affordable Housing and National Agenda

HUA YANG'S ECONOMIC SUSTAINABILITY IS DRIVEN BY ITS CORE BUSINESS OF DELIVERING AFFORDABLE HOUSING AND INTEGRATED TOWNSHIPS. OUR COMMITMENT ALIGNS WITH MALAYSIA'S NATIONAL HOUSING PRIORITIES AND THE MADANI ECONOMIC FRAMEWORK BY INCREASING ACCESS TO QUALITY HOMES.

The Group's residential and commercial developments in the Northern (Penang and Perak), Central (Klang Valley) and Southern (Johor) regions supports economic activity through construction, employment and related business activities.

Supply Chain and Local Procurement

In FYE 2026, Hua Yang continued to support local economic participation through its procurement practices, maintaining 100% spending on local suppliers and contractors. This not only supports local businesses and contractors, but also strengthens the resilience of Malaysia's construction ecosystem. The Group also made an indirect contribution to local economic development through the construction of essential infrastructure such as roads, drainage systems and community facilities integrated within its developments, enhancing accessibility and liveability for residents.

Digitalisation and Operational Efficiency

The Group continued its digital transformation efforts to improve operational efficiency and service delivery. During the year, the Group also strengthened its digital governance by enhancing cloud administration, cybersecurity and IT infrastructure management, supporting more secure, efficient and resilient business operations and exploration of AI-enabled reporting and analytics tools. These initiatives support productivity improvements, reduce manual processes and strengthen the Group's ability to manage operations more effectively.

Safeguarding Business Integrity

Hua Yang remains committed to maintaining high standards of integrity and ethical business conduct. Through refresher training to employees, the Group continues to implement Anti-Bribery and Anti-Corruption (ABAC) policies and awareness programmes to reinforce ethical business practices and compliance requirements throughout the organisation. This commitment supports transparency and integrity in the Group's operations and reinforces trust among key stakeholders, including financial institutions, business partners, and investors. These measures contribute to maintaining a culture of integrity within the organisation and support the Group's commitment to ethical business conduct. During FYE 2026, there were no confirmed incidents of corruption, reflecting the Group's commitment to responsible business practices and regulatory compliance.

ENVIRONMENTAL SUSTAINABILITY

RECOGNISING THE CRITICAL ROLE OF ENVIRONMENTAL STEWARDSHIP IN PROPERTY DEVELOPMENT, THE GROUP IMPLEMENTS MEASURES TO OPTIMISE RESOURCE EFFICIENCY AND ENSURE RESPONSIBLE DEVELOPMENT.

Energy and Water Management

Hua Yang adopts energy-efficient design practices, incorporating LED lighting in common areas and natural ventilation in selected high-rise projects. While we have not yet established quantitative baseline reduction targets or implemented rainwater harvesting systems, we continue to integrate energy and water efficiency considerations at the design stage of new developments, in compliance with regulatory requirements.

Green Building Development

Ara Residences Puchong Horizon achieved GreenRE Bronze Provisional Certification, marking an important milestone in the Group's efforts to incorporate sustainability considerations into project design and development. The Group will continue evaluating opportunities to integrate green building principles into future projects where commercially and technically feasible.

Waste Management

While consolidating waste tracking data across all operations remains a work in progress, Hua Yang promotes the principles of Reduce, Reuse and Recycle (3R) across its office operations and development activities. Construction waste management is primarily undertaken by appointed contractors in accordance with regulatory requirements. The Group continues to engage with appointed contractors to improve the availability of construction waste information for sustainability reporting purposes.

Climate-Related Risks

The Group acknowledges that climate change presents both risks and opportunities for the property development industry as construction activities may be affected by severe storms, excessive rainfall and shifting weather patterns. These environmental hazards can cause project delays, hinder on-site productivity and push back project completion dates.

At the same time, transition risks may arise from shifting consumer habits, demands for sustainable buildings, stricter environmental reporting, and evolving green regulations. While the Group has not yet formalised a full climate scenario analysis, we are increasingly integrating climate risks into project planning, engineering design and operational evaluations.

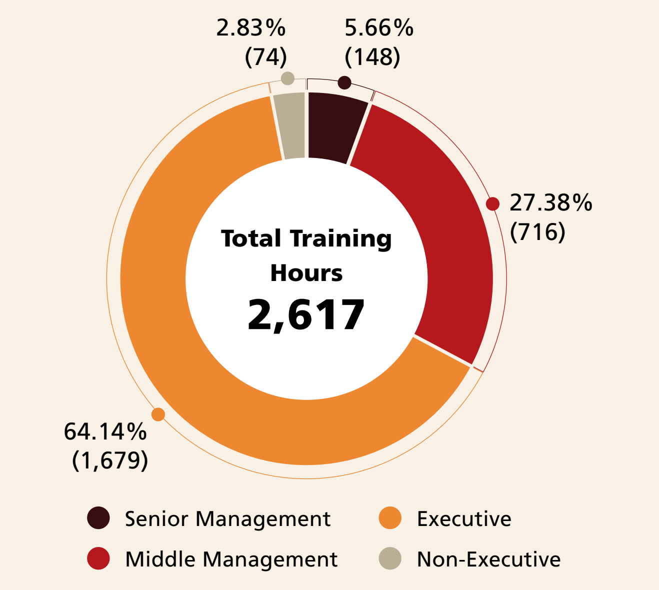
SOCIAL SUSTAINABILITY

AT HUA YANG, WE RECOGNISE THAT OUR PEOPLE ARE THE FOUNDATION OF OUR LONG-TERM SUCCESS. IN LINE WITH OUR "DREAMS" (DEPENDABLE, RELIABLE, EFFICIENT, AFFORDABLE, MOTIVATED, SUSTAINABLE) VALUES, THE GROUP REMAINS COMMITTED TO DEVELOPING A CAPABLE, ADAPTABLE AND FUTURE-READY WORKFORCE THROUGH CONTINUOUS LEARNING, UPSKILLING AND RESKILLING INITIATIVES.

Talent Development

Our learning and development programmes are designed to enhance employees' technical competencies, digital capabilities, leadership effectiveness and awareness of evolving industry requirements, while supporting the Group's strategic objectives, operational excellence and long-term sustainable growth.

During FYE 2026, the Group invested a total of 2,617 training hours across various employee levels, reflecting our commitment to providing continuous learning opportunities throughout the organisation. The distribution of training hours by employee category was as follows:



During FYE 2026, the Group's training initiatives focused on the following key areas:

1. **Digital Readiness and Innovation**

   Strengthening employees' digital capabilities and confidence in adopting emerging technologies, including Artificial Intelligence (AI), digital tools and productivity solutions to enhance efficiency, encourage innovation and support business transformation.

2. **Responsible Business Practices and Safety Awareness**

   Enhancing employees' awareness and understanding of responsible business practices through programmes covering cybersecurity awareness, financial governance, workplace safety and emergency preparedness to promote a secure and resilient working environment.

3. **Leadership Excellence**

   Developing effective leaders by strengthening supervisory, managerial and leadership capabilities, enabling them to inspire teams, manage change effectively and contribute towards organisational performance.

4. Professional and Technical Excellence

Enhancing job-specific competencies through industry-related, technical and operational training programmes to strengthen functional expertise and support operational effectiveness across the Group.

5. Compliance and Future Readiness

Ensuring employees remain informed and prepared for evolving regulatory requirements, industry developments and emerging business needs through relevant compliance and governance-related training.

Through these comprehensive learning and development initiatives, Hua Yang continues to foster a culture of continuous improvement, strengthen organisational capabilities and empower employees to contribute meaningfully towards sustainable business growth.

Diversity and Equal Opportunity Workplace

The Group recognises that a diverse and inclusive workforce is essential in driving organisational excellence, innovation and long-term sustainable growth. As part of its commitment to responsible employment practices, the Group continues to uphold equal opportunity principles across all levels of the organisation.

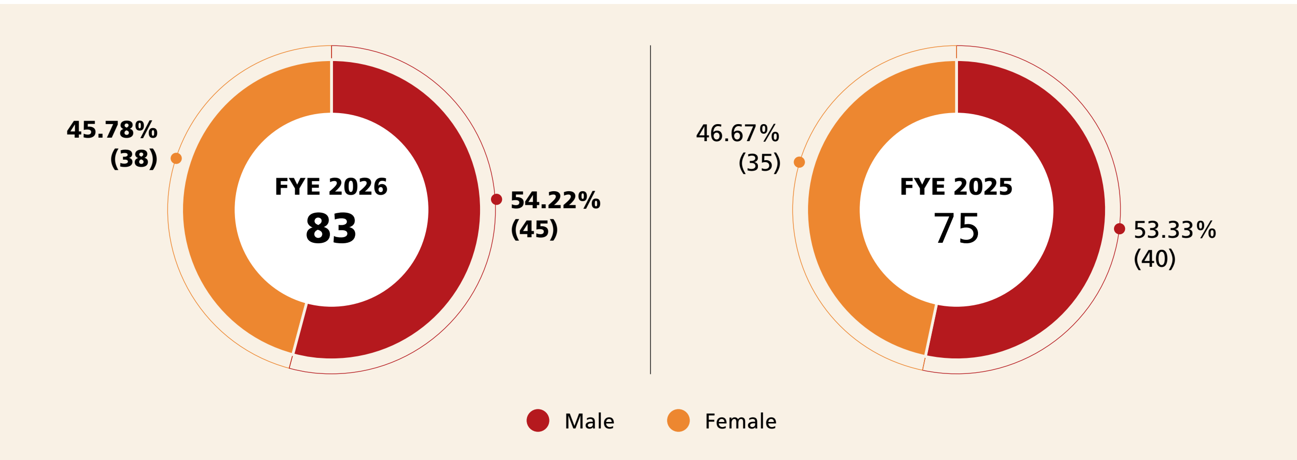
The Group remains committed to providing a workplace environment that promotes respect, fairness and inclusivity, with zero tolerance towards any form of discrimination, victimisation, intimidation, bullying or harassment. In accordance with the Group's code of conduct and Business Ethics Policy, all employment decisions are guided by merit, competencies, qualifications and business requirements, regardless of gender, age, ethnicity, religion, disability or other socio-cultural and demographic factors.

The Group continues to support workforce diversity by providing equitable opportunities for employees to develop their capabilities and progress within the organisation. Where applicable, preference may be given to qualified local candidates who fulfil the required job competencies and position requirements.

In FYE 2026, the Group maintained a diverse workforce composition across all employee categories, including Senior Management, Middle Management, Executive and Non-Executive levels. The Group also recorded an increase in female employee representation, reflecting its continued efforts in strengthening gender diversity and fostering an inclusive workplace culture.

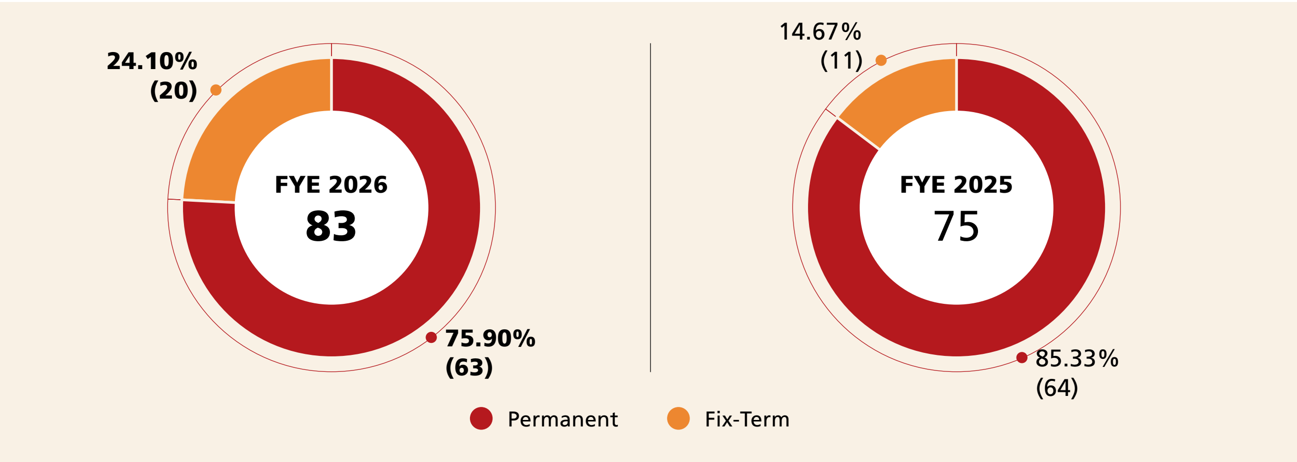
To help your understanding, the following charts provide comparison figures between FYE 2025 and FYE 2026:

1) Total Workforce (%)



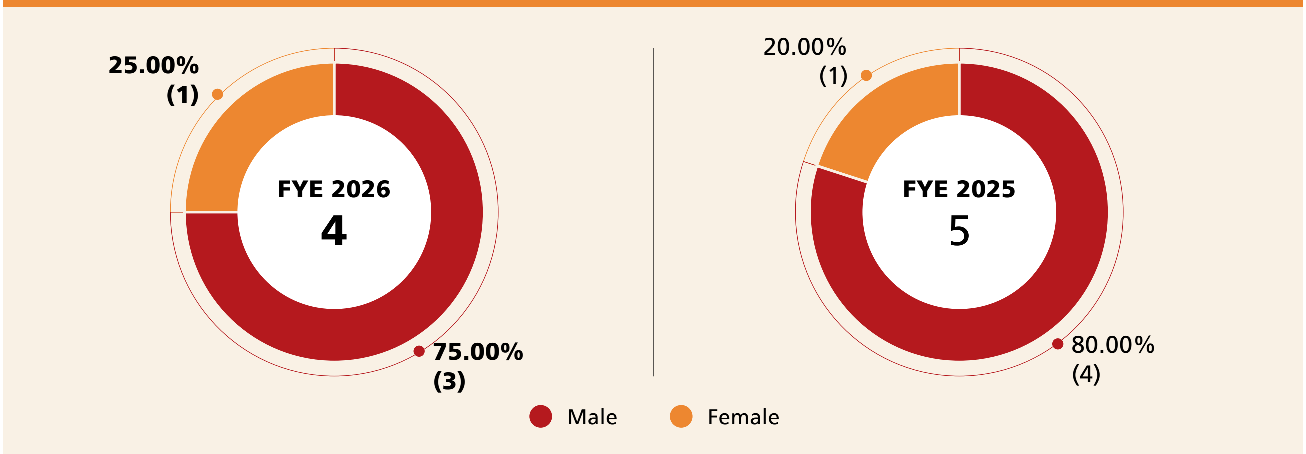
SUSTAINABILITY STATEMENT

2) Total Workforce by Job Category (%)

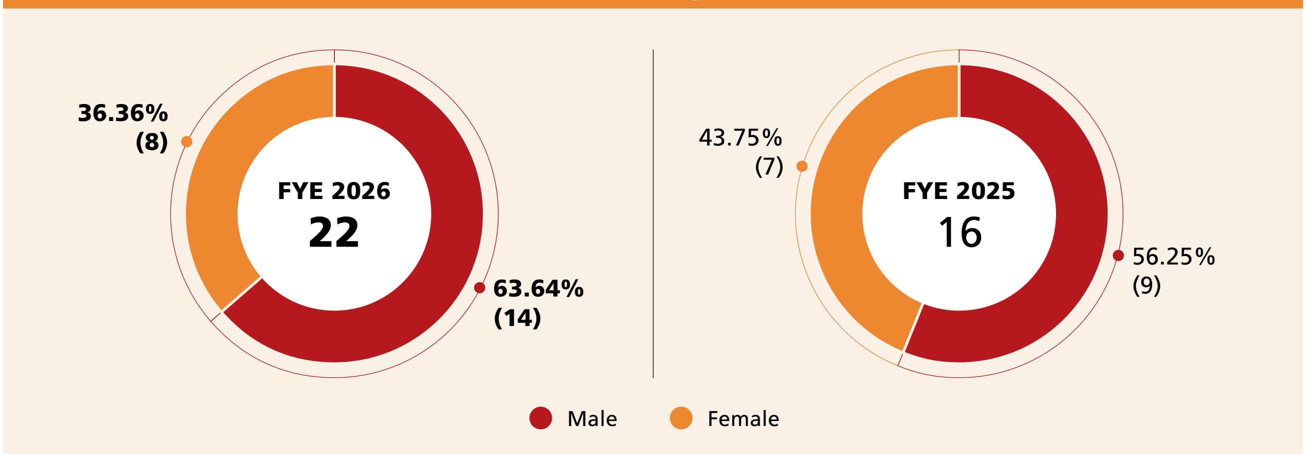


3) Workforce Gender Breakdown by Employee Category (%)

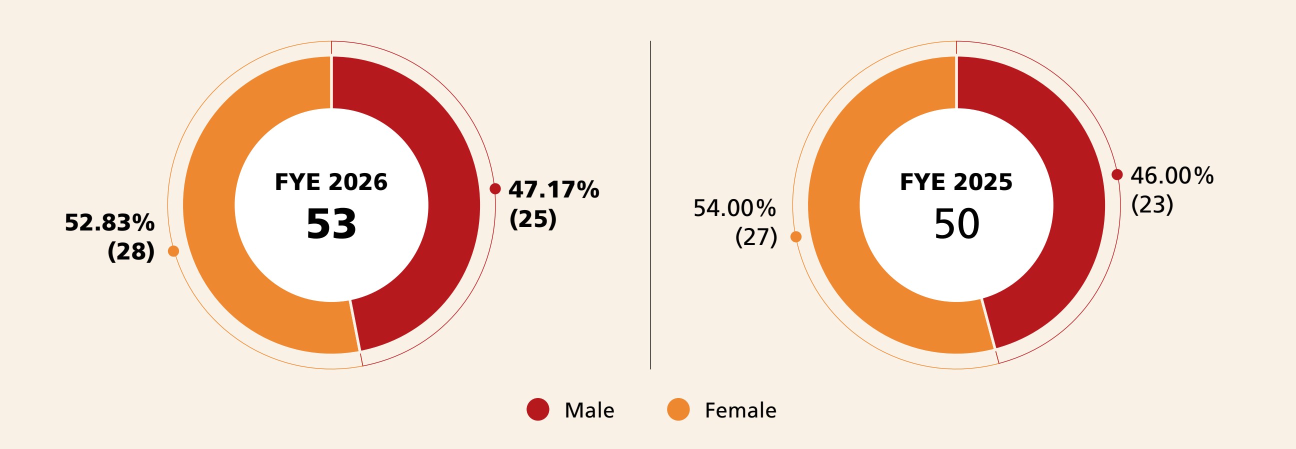
Senior Management



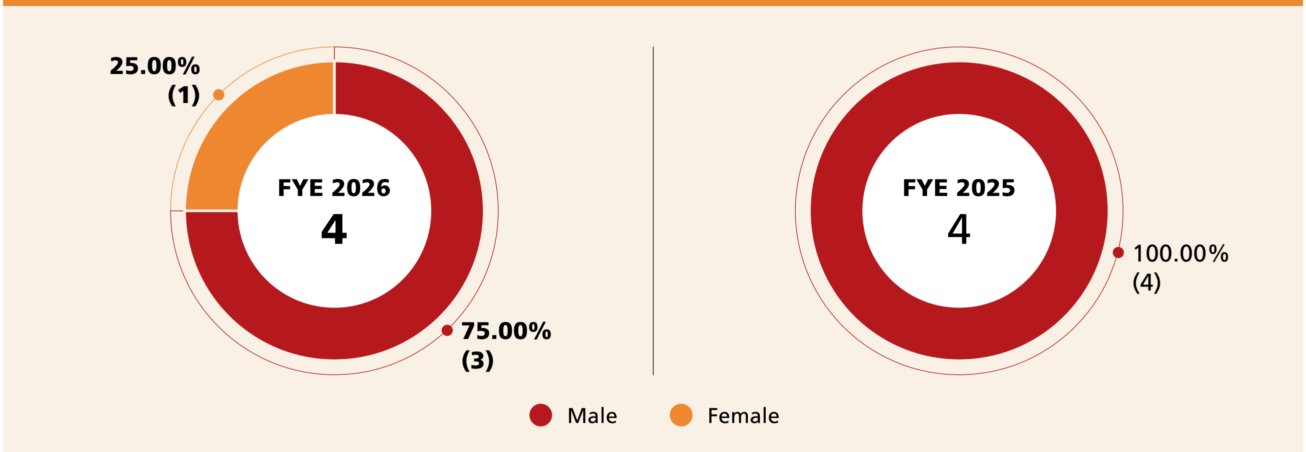
Middle Management



Executive

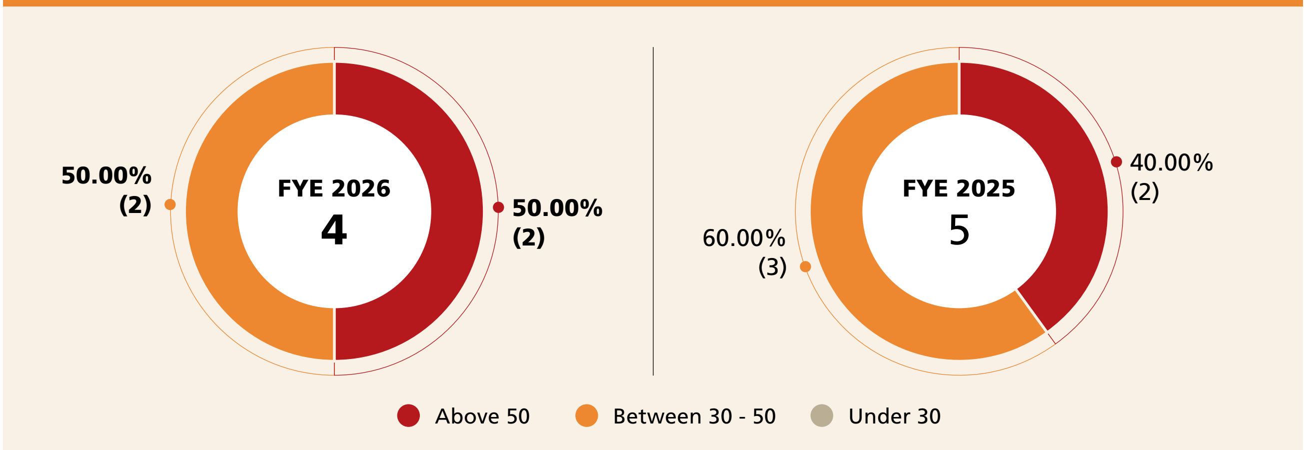


Non-Executive



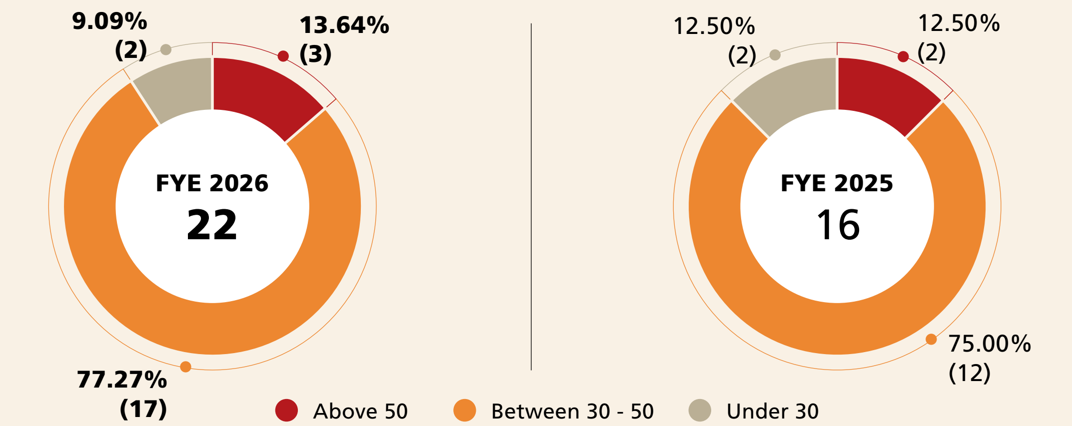
4) Workforce Age Group Distribution by Employee Category (%)

Senior Management

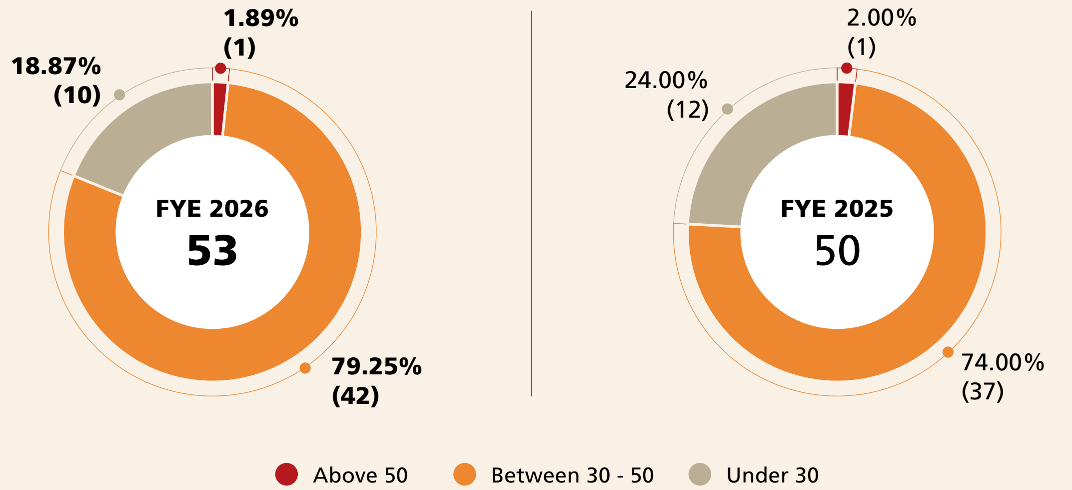


SUSTAINABILITY STATEMENT

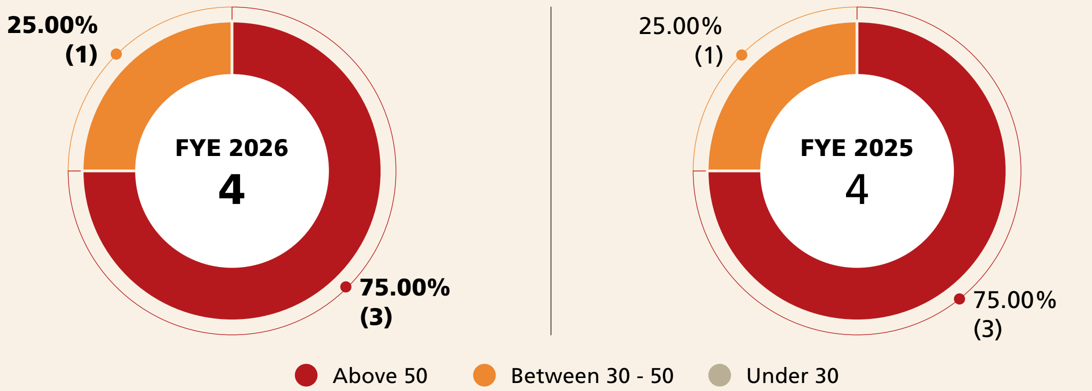
Middle Management



Executive



Non-Executive



Employee Turnover and Retention

At Hua Yang, we recognise that our employees are integral to our long-term success and sustainability. Maintaining a stable, engaged and capable workforce is essential in supporting operational resilience, preserving organisational knowledge and achieving our strategic objectives.

The Group continues to place strong emphasis on talent retention by fostering a supportive workplace culture, providing competitive compensation and benefits, enhancing employee engagement, recognising employee contributions and creating opportunities for continuous learning and development.

During FYE 2026, the Group recorded an employee turnover rate of 20%, reflecting an improvement from 23% in FYE 2025. This positive trend demonstrates the effectiveness of our ongoing efforts to strengthen employee engagement and workforce stability. In particular, turnover among middle management employees recorded a significant improvement, declining from 9% in FYE 2025 to 1% in FYE 2026, reflecting stronger retention of experienced talent and leadership capabilities within the Group.

To further support employee retention, Hua Yang continues to enhance its workplace initiatives through employee engagement programmes, communication platforms, recognition initiatives and comprehensive employee welfare programmes aligned with the principles outlined in the Group's Employee Guidebook.

Employee Engagement

Hua Yang recognises that meaningful employee engagement is essential in building a connected, motivated and high-performing workforce. The Group continues to strengthen employee relationships by promoting open communication, encouraging collaboration and creating opportunities for employees to actively participate in shaping a positive workplace environment.

The Group has established various communication platforms to facilitate continuous engagement between employees and management, including Town Hall sessions, group operations committee meetings, operational branch meetings and departmental discussions. These platforms enable employees to share feedback, exchange ideas and gain better understanding of the Group's direction, priorities and business objectives.

Beyond communication initiatives, Hua Yang continues to organise employee engagement activities throughout the year to strengthen team relationships, promote employee well-being and cultivate a culture of appreciation and inclusiveness.

During FYE 2026, key employee engagement initiatives included:

- **Festive Celebrations** – Company-wide celebrations for Chinese New Year and Hari Raya to promote cultural appreciation, inclusiveness and stronger connections among employees.

- **Chinese New Year Hamper Giveaway** – An appreciation initiative to recognise employees and share festive joy during the celebration period.

- **Annual Fruits Festival** – An initiative aimed at promoting wellness, encouraging social interaction and strengthening team bonding through shared experiences.

- **Hua Yang Wellness & Financial Safety Day** – A holistic employee wellness programme featuring health screenings, dental and optical checks, health awareness sessions and financial management talks.

Through these initiatives, Hua Yang continues to foster a workplace culture where employees feel valued, engaged and connected to the organisation's long-term success.

SUSTAINABILITY STATEMENT

Recognising Employee Contributions and Loyalty

Hua Yang believes that recognising employees' dedication and contributions is essential in building a culture of appreciation and strengthening employee commitment.

The Group continues to implement recognition initiatives to acknowledge employees who have demonstrated exceptional commitment, loyalty and valuable contributions throughout their employment journey.

The Long Service Reward reflects Hua Yang's appreciation towards employees who have dedicated significant years of service to the Group. In FYE 2026, a total of nine (9) employees were recognised under this reward for achieving continuous service milestones, commencing from five (5) years of service onwards.

Through this recognition, the Group reinforces the importance of employee loyalty, commitment and shared success, while encouraging employees to continue growing their careers with the Group.

Employee Benefits and Well-being

Hua Yang remains committed to supporting employees' overall well-being by providing a comprehensive range of benefits designed to support their professional and personal needs.

The Group regularly reviews its human resource policies, benefits structure and employee welfare initiatives to ensure alignment with market practices and evolving workforce expectations.

In addition to statutory benefits, Hua Yang provides a broad range of monetary and non-monetary benefits, including:

Leave Benefits
- Annual Leave
- Emergency Leave
- Maternity Leave
- Paternity Leave
- Medical and Hospitalisation Leave
- No Pay Leave
- Prolonged Illness Leave
- Hajj Leave
- Unrecorded Leave (Half-day leave on the eve of Chinese New Year and Hari Raya)
- Special Leave, including Compassionate Leave, Marriage Leave and Exam Leave

Health and Wellness Benefits
- Outpatient medical coverage
- Dental and optical benefits
- Health screening
- Hospitalisation and surgical insurance coverage
- Group Personal Accident coverage

Employee Support and Reimbursement
- Mileage, toll and parking reimbursement
- Overtime
- Meal allowance
- Business travel entitlements
- Accommodation and transportation benefits

Additional Employee Benefits
- Free parking facilities
- Wedding gifts
- Examination rewards
- Professional membership subsidies
- Staff discounts on property purchases
- Long Service Rewards

These initiatives demonstrate the Group's commitment to creating a supportive workplace environment that promotes employee welfare, engagement and long-term retention.

SUSTAINABILITY STATEMENT

Occupational Health and Safety (OHS)

The safety and well-being of our employees and contractors remain a priority across all our construction sites, offices and wherever they operate. Hua Yang recorded zero (0) work-related fatalities and zero (0) Lost Time Injury Rate (LTIR) during FYE 2026, reflecting continued emphasis on workplace safety practices and compliance. In addition, a total of twenty-six (26) employees received First Aid training during the year, supporting greater safety awareness and emergency preparedness within the organisation.

Product Quality and Customer Satisfaction

The Group remains committed to delivering quality homes that meet customer expectations. During FYE 2026, the commercial component of Elemence Phase 5P2A in Pasir Gudang achieved a Qlassic score of 81%, reflecting the Group's commitment to maintaining quality standards throughout project delivery. Insights gathered across sales galleries, customer care and post-handover stages help refine quality and improve the homeowner experience.

Customer Data Privacy

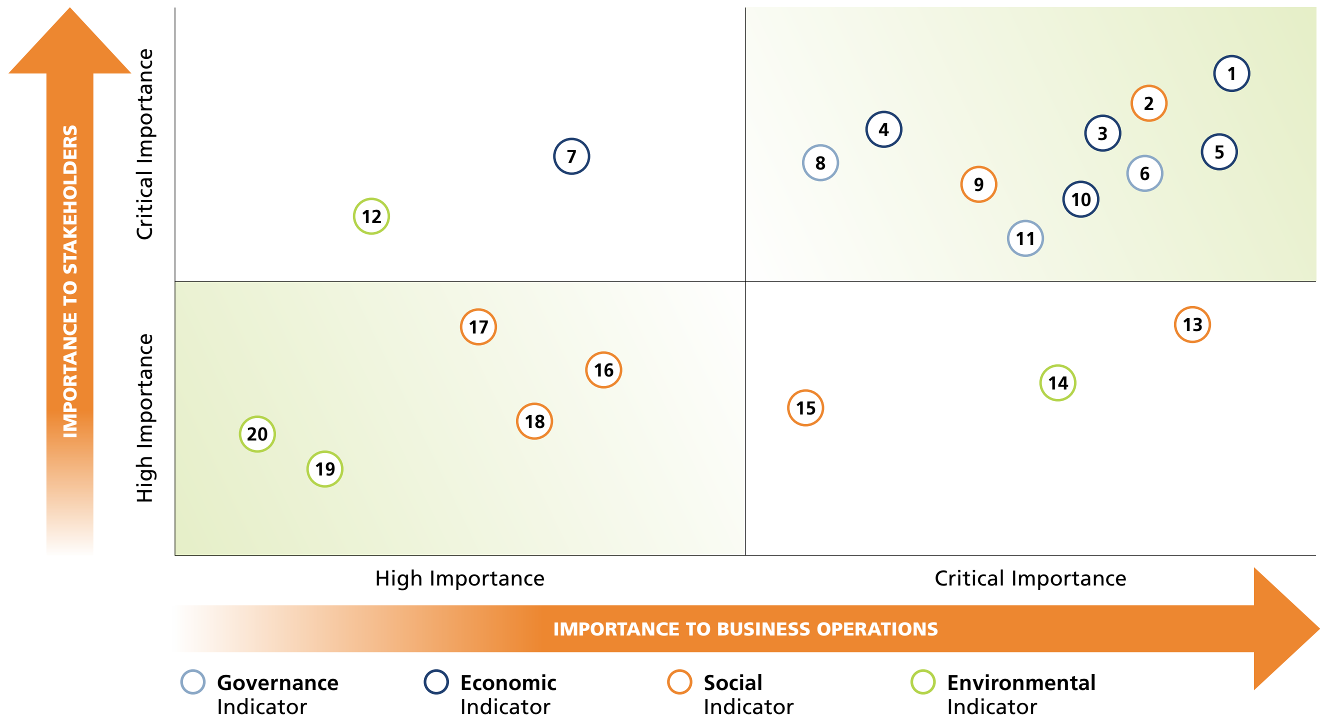
Protecting customer information and complying with the Personal Data Protection Act (PDPA) are fundamental to maintaining the trust of our homebuyers. The Group implements measures to comply with the PDPA in relation to the collection, storage, processing and protection of customers' personal information. Personal data collected through sales galleries and online channels is safeguarded through appropriate controls, with access restricted to authorised personnel and used only for legitimate business purposes.

SUSTAINABILITY STATEMENT

SUSTAINABILITY PERFORMANCE DATA

For FYE 2026, the following tables summarise the Group's sustainability performance against Bursa Malaysia's Common Indicators. The data reflects the current readiness and regulatory alignment of the Group's sustainability reporting framework and serves as an important baseline for strengthening future ESG performance.

Materiality Matrix



The 20 Material Matters As Categorised Into 4 Sustainability Pillars

Governance Excellence	Economic Responsibility	Social Impact	Environmental Stewardship
6 Governance & Compliance 8 Ethics and Integrity 11 Corporate Governance & Transparency	1 Housing Affordability 3 Digital Transformation 4 Market Presence 5 Economic Performance 7 Supply Chain Management 10 Project Management	2 Occupational Safety and Health 9 Customer Satisfaction & Brand Reputation 13 Product Quality 15 Employee Benefits 16 Customer Privacy 17 Employee Development 18 Community Engagement	12 Energy Efficiency 14 Waste Management 19 Green Building Compliance 20 Water
Key Areas of Interest			
• Data Privacy and Security • Anti-Corruption and Corporate Governance • Whistleblowing Policy • Risk Management and Mitigation	• Supply Chain Management • Digital Transformation • Housing Affordability • Brand Recognition & Product Quality Control • LandBank	• Healthy Lifestyle • Talent Retention & Development • Anti-Sexual Harassment • Gender Equality • Career Development (Local Talent) • Occupational Health & Safety • Labour & Human Rights • Community Aid	• Resource Management • Energy Efficiency

SUSTAINABILITY STATEMENT

A. Environmental Data

Metric	Unit	FYE 2025	FYE 2026
Total Energy Consumption	Megawatt	393.445	**529.801**
Total Volume of Water Used	Megalitres	13.138	**21.931**
Total Waste Generated	Metric tonnes	0.00	**0.00***
Scope 1&2 GHG Emissions	Metric tonnes CO_2e	0.00	**392.05**
Scope 3 GHG Emissions	Metric tonnes CO_2e	0.00	**0.00**

*Note:
Construction waste is managed by contractors at the site level.

B. Labour Practices and Diversity Data

Metric	Unit	FYE 2025	FYE 2026
Training Hours			
- Senior Management	Hours	410	**148**
- Middle Management	Hours	298	**716.5**
- Executive	Hours	147	**1,678.5**
- Non-Executive	Hours	2	**74**
Employee Turnover			
- Senior Management	Number	0	**1**
- Middle Management	Number	9	**1**
- Executive	Number	12	**15**
- Non-Executive	Number	1	**4**
Workforce Diversity (FYE 2026)			
- Gender (Male/Female)	%	-	**54.22% / 45.78%**
- Age (Under 30 / 30-50 />50)	%	-	**19.28% / 72.29% / 8.43%**
- Ethnicity (Malay/Chinese/Indian)	%	-	**51.81% / 40.96% / 7.23%**
Board Diversity (FYE 2026)			
- Gender (Male / Female)	%	66.67% / 33.33%	**83.33% / 16.67%**
- Age (30-50 / Above 50)	%	16.67% / 83.33%	**16.67% / 83.33%**

C. Health, Safety and Community Data

Metric	Unit	FYE 2025	FYE 2026
Work-related Fatalities	Number	0	**0**
Lost Time Incident Rate (LTIR)	Rate	0	**0**
Employees Trained on H&S	Number	5	**26**
Substantiated Human Rights Complaints	Number	0	**0**
Proportion of Spending on Local Suppliers	%	100	**100**
Confirmed Incidents of Corruption	Number	0	**0**
Breaches of Customer Privacy	Number	0	**0**

SUSTAINABILITY STATEMENT

Restatement of Prior-Year Sustainability Data

Following an internal review of the Group's sustainability data collection process, the Group has enhanced its sustainability data reporting boundary and presentation approach to provide a more comprehensive representation of its operational footprint and improve the accuracy, consistency and comparability of its sustainability disclosures.

Accordingly, the FYE 2025 energy and water consumption data have been restated to align with Bursa Malaysia's prescribed sustainability reporting format and common sustainability indicators.

For energy consumption, the FYE 2025 data has been restated to incorporate additional electricity consumption sources within the Group's operational responsibility. The revised reporting boundary includes electricity consumption from corporate offices, sales galleries, project sites, common areas of completed developments, leasing buildings, and unsold units where electricity costs are borne by the Group.

The enhanced reporting boundary also captures energy consumption arising from other operational and support facilities managed or financially supported by the Group, including electric vehicle (EV) charging facilities for company EV cars, basement car park lighting maintained for the safety, security, and convenience of car owners, as well as other building support functions required to facilitate the Group's operations. The inclusion of these additional energy-consuming areas provides a more complete representation of the Group's electricity consumption arising from facilities under its operational responsibility. The increase in the restated FYE 2025 energy consumption compared with the previously disclosed figures is primarily attributable to the expanded reporting boundary and improved data completeness, rather than a change in the actual consumption patterns of previously reported facilities.

For water consumption, the FYE 2025 data has been converted from cubic metres (m^3) to megalitres (ML) to align with Bursa Malaysia's prescribed reporting format and improve consistency across reporting periods. This conversion is a presentation enhancement and does not represent any change to the underlying water consumption data.

The restatement and unit conversion of FYE 2025 energy and water consumption data are intended to enhance transparency and ensure comparability with future reporting periods. The Group will continue to strengthen its sustainability data governance, internal controls, and data collection processes to support accurate, consistent, and transparent sustainability disclosures.

BUILDING SUSTAINABLE GROWTH

The Board believes that meaningful sustainability is built on transparency, resilience and continuous improvement. In line with Bursa Malaysia's reporting principle of balance, this Sustainability Statement presents both the Group's achievements and the areas requiring further enhancement.

Recognising Our Challenges

FYE 2026 continued to present a challenging operating environment marked by rising construction material costs, labour shortages, higher financing expenses and evolving regulatory requirements. While the Group continued implementing digitalisation initiatives, office facility & working environment upgrade, several IT infrastructure and ESG data management projects progressed at a more slowly pace as we concentrated our resources on immediate operational needs. The Group will continue to advance its digital transformation efforts to strengthen operational resilience, improve efficiency and support long-term sustainable growth.

Maturing Our Reporting Framework

Hua Yang also acknowledges that its ESG reporting framework is still evolving and in a developmental stage. We are actively expanding our data collection systems, internal workflows, and team capabilities to better address complex areas such as Scope 1, Scope 2 and Scope 3 emissions tracking, climate risk assessments, waste data consolidation and biodiversity reporting.

LOOKING AHEAD: FYE 2027 PRIORITIES

AS HUA YANG ADVANCES ITS SUSTAINABILITY JOURNEY, FINANCIAL YEAR ENDING 2027 WILL FOCUS ON STRENGTHENING ESG GOVERNANCE, IMPROVING DATA QUALITY AND ENHANCING OPERATIONAL RESILIENCE.

Our key priorities include:

Strengthening ESG Data Maturity

The Group will continue upgrading its internal reporting systems to establish reliable baselines for Scope 1, Scope 2 and Scope 3 greenhouse gas emissions. Concurrently, we will refine environmental data collection, enhance workforce diversity tracking, and strengthen overall sustainability performance monitoring.

Advancing Digital and Green Integration

Building on the Group's ongoing efforts, we will continue to leverage digital platforms to optimise project coordination and streamline workflows. These initiatives are expected to minimise rework, enhance operational efficiency and improve collaboration. Ultimately, these advancements will drive more sustainable construction practices and strengthen project delivery.

Tackling Climate Crisis and Enhancing Regulatory Readiness

The Group continues to track evolving regulatory updates, specifically the Task Force on Climate-Related Financial Disclosures (TCFD) and Bursa Malaysia Sustainability Reporting Guide. The Group will continue monitoring these developments to support future governance, risk management and sustainability reporting.

Through these priorities, Hua Yang aims to progressively strengthen its sustainability capabilities while continuing to deliver quality, affordable homes that create long-term value for all stakeholders.

Statement of Assurance

This Sustainability Statement has not been subjected to an external independent assurance process.

The non-financial and sustainability-related information presented in this Statement is compiled internally based on operational data and inputs from the respective departments across the Group. The data is subject to internal management-level verification processes to support the consistency and accuracy of the reported data.

The Group continues to enhance its internal SOPs and data management processes to strengthen data traceability, accuracy and consistency in sustainability reporting across its operations.

SUSTAINABILITY STATEMENT

BURSA MALAYSIA CSI PLATFORM PRESCRIBED TABLE

HUA YANG BHD
BMLR Transition Period

Date & Time: 2026-07-23_17:25:33
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Energy management	Total energy consumption	Megawatt	393.445	529.801	-	No assurance	Please refer to the "Restatement of Prior-Year Sustainability Data" on page 50 of the Annual Report
Water	Total volume of water used	Megalitres	13.138	21.931	-	No assurance	Please refer to the "Restatement of Prior-Year Sustainability Data" on page 50 of the Annual Report
Labour practices and standards	Total hours of training by employee category - Senior Management	Hours	410	148	-	No assurance	
Labour practices and standards	Total hours of training by employee category - Middle Management	Hours	298	716.5	-	No assurance	
Labour practices and standards	Total hours of training by employee category - Executive	Hours	147	1678.5	-	No assurance	
Labour practices and standards	Total hours of training by employee category - Non-Executive	Hours	2	74	-	No assurance	
Labour practices and standards	Percentage of employees that are Full Time Fixed-Contract	Percentage	15	24.10	-	No assurance	
Labour practices and standards	Total number of employee turnover by employee category - Senior Management	Number	0	1	-	No assurance	
Labour practices and standards	Total number of employee turnover by employee category - Middle Management	Number	9	1	-	No assurance	

This report was generated on the Bursa Malaysia CSI Platform on 2026-07-23_17:25:33

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HUA YANG BHD

BMLR Transition Period

Date & Time: 2026-07-23_17:25:33

Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Labour practices and standards	Total number of employee turnover by employee category - Executive	Number	12	15	-	No assurance	
Labour practices and standards	Total number of employee turnover by employee category - Non-Executive	Number	1	4	-	No assurance	
Labour practices and standards	Number of substantiated complaints concerning human rights violations	Number	0	0	-	No assurance	
Diversity	Percentage of employees by age group - Senior Management Under 30	Percentage	0.00	0.00	-	No assurance	
Diversity	Percentage of employees by age group - Senior Management Between 30-50	Percentage	60.00	50.00	-	No assurance	
Diversity	Percentage of employees by age group - Senior Management Above 50	Percentage	40.00	50.00	-	No assurance	
Diversity	Percentage of employees by age group - Middle Management Under 30	Percentage	12.50	9.00	-	No assurance	
Diversity	Percentage of employees by age group - Middle Management Between 30-50	Percentage	75.00	77.00	-	No assurance	
Diversity	Percentage of employees by age group - Middle Management Above 50	Percentage	12.50	14.00	-	No assurance	
Diversity	Percentage of employees by age group - Executive Under 30	Percentage	24.00	19.00	-	No assurance	

This report was generated on the Bursa Malaysia CSI Platform on 2026-07-23_17:25:33

SUSTAINABILITY STATEMENT

HUA YANG BHD
BMLR Transition Period

Date & Time: 2026-07-23_17:25:33
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Diversity	Percentage of employees by age group - Executive Between 30-50	Percentage	74.00	79.00	-	No assurance	
Diversity	Percentage of employees by age group - Executive Above 50	Percentage	2.00	2.00	-	No assurance	
Diversity	Percentage of employees by age group - Non-Executive Under 30	Percentage	0.00	0.00	-	No assurance	
Diversity	Percentage of employees by age group - Non-Executive Between 30-50	Percentage	25.00	25.00	-	No assurance	
Diversity	Percentage of employees by age group - Non-Executive Above 50	Percentage	75.00	75.00	-	No assurance	
Diversity	Percentage of employees by gender group - Senior Management Male	Percentage	80.00	75.00	-	No assurance	
Diversity	Percentage of employees by gender group - Senior Management Female	Percentage	20.00	25.00	-	No assurance	
Diversity	Percentage of employees by gender group - Middle Management Male	Percentage	56.25	64.00	-	No assurance	
Diversity	Percentage of employees by gender group - Middle Management Female	Percentage	43.75	36.00	-	No assurance	
Diversity	Percentage of employees by gender group - Executive Male	Percentage	46.00	47.00	-	No assurance	

This report was generated on the Bursa Malaysia CSI Platform on 2026-07-23_17:25:33

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SUSTAINABILITY STATEMENT

HUA YANG BHD
BMLR Transition Period

Date & Time: 2026-07-23_17:25:33
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Diversity	Percentage of employees by gender group - Executive Female	Percentage	54.00	53.00	-	No assurance	
Diversity	Percentage of employees by gender group - Non-Executive Male	Percentage	100.00	75.00	-	No assurance	
Diversity	Percentage of employees by gender group - Non-Executive Female	Percentage	0.00	25.00	-	No assurance	
Diversity	Percentage of directors by gender group - Male	Percentage	66.67	83.33	-	No assurance	Restated the FYE 2025 percentage.
Diversity	Percentage of directors by gender group - Female	Percentage	33.33	16.67	-	No assurance	Restated the FYE 2025 percentage.
Diversity	Percentage of directors by age group - Under 30	Percentage	0.00	0.00	-	No assurance	
Diversity	Percentage of directors by age group - Between 30-50	Percentage	16.67	16.67	-	No assurance	Restated the FYE 2025 percentage.
Diversity	Percentage of directors by age group - Above 50	Percentage	83.33	83.33	-	No assurance	Restated the FYE 2025 percentage.
Health and safety	Number of work-related fatalities	Number	0	0	-	No assurance	
Health and safety	Lost time incident rate ("LTIR")	Rate	0	0	-	No assurance	
Health and safety	Number of employees trained on health and safety standards	Number	5	26	-	No assurance	

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HUA YANG BHD

BMLR Transition Period

Date & Time: 2026-07-23_17:25:33

Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Community/Society	Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	0	0	-	No assurance	
Community/Society	Total number of beneficiaries of the investment in communities	Number	0	0	-	No assurance	
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - Senior Management	Percentage	6.67	0.00	-	No assurance	
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - Middle Management	Percentage	21.33	0.00	-	No assurance	
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - Executive	Percentage	66.67	0.00	-	No assurance	
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - Non-Executive	Percentage	5.33	0.00	-	No assurance	
Anti-corruption	Percentage of operations assessed for corruption--related risks	Percentage	0.00	0.00	-	No assurance	
Anti-corruption	Confirmed incidents of corruption and action taken	Number	0	0	-	No assurance	

This report was generated on the Bursa Malaysia CSI Platform on 2026-07-23_17:25:33

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HUA YANG BHD

BMLR Transition Period

Date & Time: 2026-07-23_17:25:33

Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Supply chain management	Proportion of spending on local suppliers	Percentage	100	100	-	No assurance	
Data privacy and security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	-	No assurance	
Waste management	Total waste generated	Metric tonnes	0.00	0.00	-	No assurance	
Waste management	Total waste diverted from disposal	Metric tonnes	0.00	0.00	-	No assurance	
Waste management	Total waste directed to disposal	Metric tonnes	0.00	0.00	-	No assurance	
Emissions management	Scope 1 emissions in tonnes of CO2e	Metric tonnes	0.00	0.00	-	No assurance	
Emissions management	Scope 2 emissions in tonnes of CO2e	Metric tonnes	0.00	392.05	-	No assurance	
Emissions management	Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	0.00	0.00	-	No assurance	

This report was generated on the Bursa Malaysia CSI Platform on 2026-07-23_17:25:33

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("the Board") of Hua Yang Berhad ("Hua Yang" or "the Company") is committed to ensuring that the highest standards of corporate governance are implemented and maintained throughout the Group as a fundamental part of discharging its responsibilities in protecting and enhancing shareholders' value. In this regard, the Board supports the principles set out in the Malaysian Code on Corporate Governance 2021 ("the Code"). These principles and practices, together with the Group's existing internal control processes, are regularly audited and reviewed to ensure that transparency, integrity and accountability are upheld throughout the financial year ended 31 March 2026 ("FYE 2026"). Further details on the application of each individual practice of the Code are available in the Corporate Governance Report, which is available on the Company's website at www.huayang.com.my.

This Statement is prepared pursuant to Paragraph 15.25 of Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("Listing Requirements"), and the following sets out the manner in which the Group has applied the principles and recommendations prescribed under the Code.

PRINCIPLE A

BOARD LEADERSHIP AND EFFECTIVENESS

BOARD RESPONSIBILITIES

The Company is led and managed by an experienced Board comprising members with diverse expertise and extensive experience in relevant field, who collectively brings a broad range of skills, experience and knowledge necessary to effectively direct, supervise and oversee the Group's business activities.

The roles of the Board as stated in the Board Charter are as follows:

- Representing and promoting the interests of the shareholders with a view to adding long-term value to the Company's shares.
- Ensuring that the positions of Chairman and Chief Executive Officer ("CEO") are held by different individuals.
- Ensuring the Company's goals are clearly established, and that the strategic plans developed by Management support long-term value creation, including strategies on economic, environment and social consideration underpinned by sustainability.
- Directing future expansion and reviewing investments made by the Company.
- Together with senior management, promoting a good corporate governance culture within the Company that reinforces ethical, prudent and professional behaviour.
- Establishing policies to strengthen the performance of the Company, including ensuring that Management is proactively seeking to build the business through innovation, initiative, technology, new products and the development of its business capital.
- Monitoring the performance of Management to determine whether the business is being properly managed.
- Appointing the CEO, setting the terms of the CEO's employment contract and, where necessary, terminating the CEO's employment with the Company.
- Formulating succession plans to ensure that all candidates appointed to senior management positions are of sufficient calibre and that programmes are in place to provide for the orderly succession of senior management.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

- Deciding on the steps to be taken to protect the Company's assets and its ability to meet its debts and other obligations when they fall due, and ensuring that such steps are taken.

- Ensuring that proper procedures are in place to ensure that the Company's financial statements present a true and fair view and are prepared in accordance with the applicable accounting standards. The financial performance of the Group are reviewed for integrity and approved by the Board.

- Ensuring that the Company has in place appropriate risk management/compliance policies and ensuring the implementation of appropriate internal controls and mitigating measures to manage such risks.

- Ensuring that the Company has in place procedures to enable effective communication with stakeholders.

- Ensuring that the Board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate the adoption of corporate governance best practices. The appointment and removal of the Company Secretary shall be a matter of the Board as a whole.

KEY RESPONSIBILITIES OF CHAIRMAN

During FYE 2026, Tan Sri Dato' Seri Dr. Ting Chew Peh, the Non-Independent Non-Executive Chairman, was responsible for the effective conduct and governance of the Board.

The Chairman is principally responsible for the functioning of the Board, which includes the following:

- Providing overall leadership to the Board, without limiting the principle of collective responsibility for Board decisions, and ensuring the integrity and effectiveness of the Board's governance process.

- Participating in the selection of Board members and ensuring that the composition of the Board is appropriately balanced.

- Setting agenda for Board meetings, usually in conjunction with the CEO and the Company Secretary. The Chairman ensures that the agenda and all necessary background papers are given to the Directors at least seven (7) days before the meeting to enable adequate consideration prior to the meeting.

- Chairing meetings of the Board and general meeting in a manner that stimulates debate on the issues before the Board and encourages effective contributions from each Director.

- Facilitating Board meetings to ensure that no Directors, whether executive or non-executive, dominates discussions, that appropriate deliberations take place, and that relevant opinions among Directors are forthcoming.

- Reviewing the minutes of Board meetings before circulation to ensure that they accurately reflect the Board's deliberations, and matters arising requiring further action have been appropriately addressed.

- Ensuring that the Company provides orientation and education programmes for new directors.

- Initiating, normally in conjunction with the CEO, the formulation of a business plan to ensure that the Board establishes at the beginning of each year, the goals it wishes to achieve and the means by which these goals are to be carried out.

- Initiating the establishment of Board Committees and ensuring that they achieve their objectives.

- Leading the Board in establishing and monitoring good corporate governance practices within the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Chairman acts as an informal link between the Board and Management, particularly between the Board and the CEO, to ensure that the Company operates effectively and efficiently.

The Chairman, along with all other Directors, recognises that the CEO is the leader of the Company in all matters relating to Management. Although the Chairman is not involved in the day-to-day operations of the Company, he is kept informed by the CEO of all significant matters and makes himself available to the CEO as part of the control mechanism to ensure that the CEO's decisions are properly considered and sound. The Chairman also provides assistance and advice when necessary, especially on sensitive matters which the CEO may feel unable to discuss with other executives, and ensures that the CEO properly understands the Board's decisions and instructions. The CEO is responsible for reporting to the Board as a whole and not solely to the Chairman.

The Chairman chairs all general meetings and uses these occasions as an opportunity to inform shareholders of the Company's affair, including its performance. He allows and encourages shareholders to express their views, provided that such views remain relevant to the matters under discussion. The Chairman then summarises and unifies the thoughts and ideas raised. He also maintains control over the meetings to ensure that the proceedings are conducted smoothly.

The Chairman also plays a leading role in presenting the Company's proposal, whether formally or informally, to the authorities, institutional or potential investors, and parties who influence the environment in which the Company operates.

The Chairman of the Board is not a member of the Board Committees.

KEY RESPONSIBILITIES OF CHIEF EXECUTIVE OFFICER

Mr. Ho Wen Yan holds the position of Chief Executive Officer.

The principal responsibilities of the CEO include:

- The CEO is responsible for leading the management team, overseeing the implementation of the policies/decisions approved by the Board, and acting as the Group's official spokesperson.
- The CEO is responsible for planning the future direction of the Group for the Board's consideration and approval.
- Only decisions of the Board acting as a body are binding on the CEO. Decisions or instructions of individual Directors, officers or committees are not binding, except in those instances where specific authorisation is given by the Board.
- The CEO, in association with the Chairman, is accountable to the Board for the achievement of the Company goals, and the CEO is also responsible for ensuring compliance with Management Limitations.

KEY RESPONSIBILITIES OF COMPANY SECRETARIES

The Board of Directors is supported by qualified and competent Company Secretaries.

The Company Secretaries have attended seminars and workshops during the financial year 2026 to keep abreast of the latest developments in the Listing Requirements and Companies Act 2016.

The responsibilities of the Company Secretaries are:

- Ensuring that Board procedures are followed, that the applicable rules and regulations for the conduct of the affairs of the Board are compiled with, and for all matters associated with the maintenance of the Board or otherwise required for its efficient operation.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

- Managing all Board and Committee meeting logistics, attending and recording minutes of all Board and Committee meetings, and facilitating Board communications.

- Advise the Board on its roles and responsibilities.

- Facilitating the orientation of new Directors and assisting in Director training and development.

- Advising the Board on corporate disclosures and compliance with company and securities regulations and Listing Requirements.

- Managing processes pertaining to the Annual General Meeting.

- Monitoring corporate governance developments and assisting the Board in applying governance practices to meet the Board's needs and stakeholders' expectations.

- Serving as a focal point for stakeholders' communication and engagement on corporate governance issues.

All Directors, particularly the Chairman, have access to the advice and services of the Company Secretaries for matters relating to the Board's affairs and the business of the Company.

To facilitate robust Board discussion, the Chairman, together with the Company Secretaries, ensures that Directors are provided with sufficient information and time to prepare for Board meetings. The meeting materials are circulated at least seven (7) days in advance of the Board meeting.

The Company Secretaries record, prepare and circulate the minutes of the Board and Board Committee meetings and ensure that the minutes are properly kept at the registered office of the Company and produced for inspection, if required.

BOARD CHARTER

The Board has formalised and adopted a Board Charter which serves as a source of reference for Directors. The Board Charter is established to provide guidance and clarity on the Board's roles and responsibilities, as well as the relationship between the Board and shareholders.

The Board Charter also sets out the processes and procedures for convening Board meetings. The Board reviews the Board Charter as and when necessary to ensure it remains consistent with the Board's objectives and responsibilities, as well as any new regulations that may have an impact on the Board's responsibilities. The matters reserved for the Board are:

- Land/investment in subsidiary acquisitions, disposal, leasing and joint ventures with a total purchase consideration at a percentage ratio of 5% and above in respect of non-related party transaction and percentage ratio of 0.25% and above in respect of related party transaction as set out in the Listing Requirements.

- The approved Discretionary Authority Limit (DAL) should be read in tandem with this section.

- Transfer of funds within the Group shall be subject to the Board Resolution governing the mode of operation and signing conditions of each bank account.

The full Board Charter is available online at www.huayang.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

CODE OF CONDUCT AND BUSINESS ETHICS

The Board is aware of the need to establish a corporate culture that foster the common goal of achieving business profitability while cultivating ethical business conduct.

The Board has developed and formalised a clear set of values that emphasises a culture encompassing sound business practices and good ethical conduct, and incorporated them into the Code of Conduct and Business Ethics. The Board has also formulated the Group's Policies and Procedures, which all employees are required to adhere to, failure of which will result in appropriate action being taken.

The full Code of Conduct and Business Ethics is available online at www.huayang.com.my.

WHISTLEBLOWING POLICY AND PROCEDURES

This provides an avenue for internal or external stakeholders to raise concerns related to possible improprieties in matters of compliance and other malpractices in an appropriate manner and without fear of reprisal or retaliation.

The Whistleblowing Policy seeks to enhance corporate governance by helping to foster an environment where integrity and ethical behaviour is maintained and any illegality, improper conduct and/or wrongdoings in the Group may be exposed.

The Policy serves as an early warning system and may enable the Group to remedy any wrongdoing before serious damage is caused.

The full Whistleblowing Policy and Procedures is available online at www.huayang.com.my.

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

The Group has established an Anti-Bribery and Anti-Corruption Policy which prohibits all forms of bribery and corruption practices pursuant to Section 17A of the Malaysian Anti-Corruption Commission Act 2009.

The Company is committed to upholding a high standard of business ethics to create an environment of mutual trust while increasing the confidence of stakeholders, both internally and externally.

The full Anti-Bribery and Anti-Corruption Policy is available online at www.huayang.com.my.

INDEPENDENCE

During FYE 2026, the Board comprised of two (2) Independent Directors out of a total of six (6) Directors, representing 33% of the Board composition. The ratio of Executive Director to Non-Executive Directors was 1:5, providing an appropriate balance on the Board and ensuring that the Board decision-making process is not dominated by the Executive Director.

The Independent Directors play a key role in providing objective, unbiased and independent views to the Board. They actively participate in Board deliberations and consistently strive to attend all the Board meetings to contribute their knowledge, expertise and experience. Their participation ensures that the Board discussions take into consideration diverse perspective and constructive viewpoints.

The Board is of the view that the current composition remains effective in promoting balanced and objective deliberations, while enabling the Company to achieve the intended outcome of diversity in perspectives and effective oversight. as meetings are conducted in an open and participative manner. Board meetings are conducted in an open and participative manner, where differing opinions and dissenting views are encouraged to be freely expressed, thoroughly deliberated upon, and duly considered to facilitate sound and well-informed decision-making.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

ANNUAL ASSESSMENT OF INDEPENDENCE

The Board recognises the significant role of the Independent Non-Executive Directors in providing objectivity, impartiality, and independent judgement to ensure an adequate check and balance within the Board. The Board undertakes an annual assessment of the Independent Non-Executive Directors by evaluating their ability to exercise independent judgment at all times, taking into consideration the criteria set out in the Listing Requirements.

Based on the assessment conducted for the FYE 2026, the Board was satisfied that all the Independent Directors had continued to demonstrate independence in character and judgement, and had effectively carried out their roles and responsibilities in the best interests of the Company.

The Independent Non-Executive Directors are not involved in the day-to-day management/operations of the Group. They provide an external and independent perspective in Board deliberations, constructively challenge Management's proposals, and contribute towards the development of the Group's strategic direction, , scrutinise Management's performance in meeting approved goals and objectives, and monitor the Group's risk profile, and quarterly financial and business performance of the Group.

BOARD COMPOSITION

During FYE 2026, the Company had six (6) members on the Board, of whom two (2) are Independent Non-Executive Directors, one (1) Executive Director and three (3) Non-Independent Non-Executive Directors. A brief profile of each Director is presented on pages 20 to 22 of this Annual Report.

The Company is led and managed by an experienced Board comprising members with diverse expertise and extensive experience in relevant fields such as entrepreneurship, economics, legal, accounting, finance, administration, project development, management, marketing and public service. Together, the Directors bring a broad range of skills, experience and knowledge to successfully direct and supervise the Group's business activities. The composition of the Board reflects the duties and responsibilities required to be discharged and performed in representing the interests of shareholders, and in setting the Company's strategy and ensuring its effective implementation.

Generally, the qualifications for Board membership include the ability and intelligence to make sound business decisions and recommendations, entrepreneurial talent for contributing to the creation of shareholder value, the ability to see the wider picture, the ability to ask the critical questions, preferably experience in the relevant industry sector, high ethical standards, sound practical judgement, and a strong commitment to furthering the interests of shareholders and achieving the Company's goals.

Independent Non-Executive Directors are expected to be active in areas which enable them to relate to the strategies of the Company and to make meaningful contributions to the Board's deliberations. They must remain independent of Management and free from any business or other relationship which could materially interfere with the exercise of their independent judgment. To be effective, Independent Non-Executive Directors should make up at least one-third (1/3) of the Board membership.

The size of the Board should be such that the involvement, participation, harmony and sense of responsibility of the Directors are not jeopardised. At the same time, it must be sufficiently large to ensure an appropriate range of knowledge, views and experience.

Directors appointed to fill a casual vacancy or as an addition to the Board shall hold office only until the next Annual General Meeting of the Company but shall be eligible for re-election.

Directors shall retire from office at least once every three (3) years but shall be eligible for re-election.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

During the financial year 2026, the Board, through its Nomination Committee, conducted an annual review of the Board's size, composition and balance and concluded that the Board's dynamics remain healthy and effective. The present members of the Board possess the appropriate skills, experience and qualities to steer the Group forward. The Nomination Committee was also satisfied that the existing structure, size, composition, current mix of skills, competence, knowledge, experience and qualities of the Board members are appropriate to enable the Board to carry out its responsibilities effectively.

The Board will continue to monitor and review its size and composition and will nominate new members as and when the need arises.

SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR

The Board had appointed Mr. Choo Seng Choon as the Senior Independent Non-Executive Director of the Board to whom concerns may be conveyed. The Senior Independent Non-Executive Director provides a secure and confidential channel for stakeholders to raise concerns directly on matters relating to the Company. Mr. Choo Seng Choon is authorised to seek information, where required, from any employee of the Company, and all employees are expected to co-operate with any request made by the Senior Independent Non-Executive Director. During the FYE 2026, there were no issues raised to the Senior Independent Non-Executive Director.

PROMOTE SUSTAINABILITY

The Board recognises the importance of business sustainability and ensures that sustainability considerations are embedded in the development of the Group's strategies, taking into account the environmental, social, cultural and governance aspects of business operations. These strategies seek to meet the expectations of stakeholders, including customers, shareholders, regulators, bankers, joint venture partners and the communities in which the Group operates.

The Sustainability Statement is set out on pages 34 to 57 of this Annual Report.

ACCESS TO INFORMATION AND ADVICE

The Board has full and unrestricted access to all information pertaining to the Group's business and affairs, including updates on the Group's developments and business strategies, to enable them to discharge their duties effectively. The agenda and board papers are circulated to the Board members sufficiently in advance of the Board meetings to allow adequate time for the Board to review, consider and deliberate knowledgeably on the issues and, where necessary, to obtain further information and explanations to facilitate informed decision-making.

Senior Management personnel may be invited to attend Board meetings, when necessary, to furnish the Board with explanations and comments on the relevant agenda items tabled at the Board meetings or to provide clarification on issue(s) raised by any Director.

All Directors have direct and unrestricted access to the advice and services of the Company Secretaries and Senior Management. The Board may seek independent professional advice, at the Company's expense, where deemed necessary and appropriate.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

BOARD DIVERSITY

The Board is aware of the gender diversity policy and target as set out in Practice 5.9 and 5.10 of the Code. When appointing a Director, the Nomination Committee and the Board will always evaluate and match the criteria of the candidate to the Board based on individual merits, experience, skills, competency, knowledge and potential contribution, while also taking into consideration boardroom diversity.

The Board has established a policy to maintain at least 20% of women Directors on the Board, as the Board recognises the value that diversity can bring to Board deliberations. Currently, the Board comprises of 20% women Director, namely Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud. The age of the Directors ranges from 48 to 83 years old, creating an environment where each generation brings different skills, experience and perspectives to the Board.

CRITERIA FOR RECRUITMENT AND ASSESSMENT

There is a transparent process for selection, nomination and appointment of suitable candidates to the Board.

The responsibility for identifying and recommending candidates for the Board appointment has been delegated to the Nomination Committee. Such responsibilities include recommending suitable candidates to the Board for all directorship to be filled, and reviewing annually the Board's mix of skills, experience and other qualities, including the core competencies that Non-Executive Director should bring to the Board. In addition, the Nomination Committee assesses the effectiveness of the Board as a whole, as well as the contribution of each individual Director.

DIRECTORS' REMUNERATION

The Remuneration Committee undertakes an annual review of the remuneration packages for each individual Executive and Non-Executive Director, as well as Management.

The remuneration of the Directors and Management is determined at levels which enable the Company to attract and retain Executive Directors and Management personnel to successfully manage and operate the Group.

Other than Executive Director, all Non-Executive Directors are paid a fixed fee for each Board and Committee meeting attend. Directors' fees are subject to shareholders' approval. The Chairman of the Board and Board Committee are paid a higher fee compared to other Board and Board Committee members in recognition of their additional responsibilities.

The Executive Director's remuneration is contractual and reflects the Board's recognition of his skills and experience in the industry, job responsibilities and the Group's performance against financial objectives. The Executive Director does not participate in discussion on his own remuneration. The approval of the Executive Director's remuneration ultimately rests with the Board, with the Executive Director abstaining from discussion and decision-making on matters relating to his remuneration.

The Board as a whole determines the remuneration package of the Non-Executive Directors, including the Independent Chairman, by taking into consideration their experience, expertise and level of responsibilities undertaken.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The details of the remuneration of the Directors in respect of the FYE 2026 are as follows:

	Fees (RM)		Salaries (RM)	Bonuses (RM)	Meeting attendance allowance (RM)	Estimated money value of benefits-in-kind (RM)
	Company	Subsidiaries	Company	Company	Company	Company
Executive Director						
Ho Wen Yan	-	-	1,074,240	-	-	1,123
Non-Executive Directors						
Tan Sri Dato' Seri Dr. Ting Chew Peh	150,563	-	-	-	6,000	7,200
Chew Hoe Soon	131,205	-	-	-	6,000	-
Chew Po Sim *(resigned w.e.f. 3 March 2026)*	95,939	-	-	-	5,000	-
Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud	134,918	-	-	-	6,000	-
Choo Seng Choon	138,743				6,000	
Ho Wen Fan	6,282	21,000	-	-	1,000	-
Total	**657,649**	**21,000**	**1,074,240**	**-**	**30,000**	**8,323**

DIRECTORS' TRAINING

All directors have attended and successfully completed the Mandatory Accreditation Programme as required by Bursa Securities. In addition, seminars and conferences organised by Bursa Securities, relevant regulatory bodies and professional bodies on areas pertinent to the Directors are communicated to the Board for their consideration and participation. The Board will also continue to identify the training needs amongst the Directors and enrol them in appropriate training programmes, as and when required.

During the financial year, the Directors have attended training programmes, the details of which are set out as follows:

Director	Training Programme	Date of Training
Tan Sri Dato' Seri Dr. Ting Chew Peh	1. Anti-Bribery and Anti-Corruptions (ABAC)	22 October 2025
Ho Wen Yan	1. Mandatory Accreditation Programme II ("MAP II"): Leading for Impact	26 & 27 May 2025
	2. Anti-Bribery and Anti-Corruptions (ABAC)	22 October 2025
	3. General Cybersecurity Awareness	8 July 2025
	4. Transformational Leadership	9 October 2025
	5. E-Invoicing Implementation in Malaysia	30 October 2025

Director	Training Programme	Date of Training
Choo Seng Choon	1. E-Invoice Implementation for SMEs and SMP	22 April 2025
	2. Transfer Pricing & Tax Corporate Governance Seminar	27 May 2025
	3. Code Of Ethics	19 June 2025
	4. Anti-Bribery and Anti-Corruptions (ABAC)	22 October 2025
	5. Mastering the Tax Rules for Expatriates & Foreign Workers	20 January 2026
	6. Fast Closing - Improving Processes, Technology & Management	28 & 29 January 2026
Chew Hoe Soon	1. Anti-Bribery and Anti-Corruptions (ABAC)	22 October 2025
Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud	1. MAP II: Leading for Impact	26 & 27 May 2025
	2. Anti-Bribery and Anti-Corruptions (ABAC)	22 October 2025
Ho Wen Fan	1. MAP II: Leading for Impact	9 & 10 April 2025

RETIREMENT OF DIRECTORS

In accordance with the Company's Constitution, one-third (1/3) or nearest to one-third (1/3) of the Directors shall retire from office at each Annual General Meeting and shall be eligible for re-election, provided that each Director shall retire from office once at least in every three (3) years. Directors appointed during the financial year are subject to retirement and re-election by shareholders at the first Annual General Meeting held immediately after their appointment. A retiring Director shall retain office until the close of the meeting at which he retires.

Each year, the Nomination Committee assesses the experience, competence, integrity and capability of each Director who wishes to continue his office before making recommendation to the Board. The Nomination Committee has at its meeting on 21 May 2026 evaluated the performance and recommended the re-election of the retiring Directors, Mr. Chew Hoe Soon, Mr. Ho Wen Yan and Mr. Ho Wen Fan.

PRINCIPLE B

EFFECTIVE AUDIT AND RISK MANAGEMENT

BOARD COMMITTEE

(i) Audit Committee

The Board is assisted by the Audit Committee, which operates within clearly defined key functions. The composition and activities of the Audit Committee are set out on pages 71 to 73 of this annual report.

(ii) Nomination Committee

The Board is also assisted by the Nomination Committee, which operates within clearly defined key functions. The composition and activities of the Nomination Committee are set out on pages 74 to 75 of this annual report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(iii) Remuneration Committee

The Remuneration Committee met once during the financial year and the activities which were carried out were as follows:

i. Reviewed and recommended the bonus, increment and benefits of the staff, senior management and Executive Director to the Board by linking their rewards to corporate and individual performance; and
ii. Reviewed the Directors' fees and meeting attendance allowance.

SOUND AND RISK MANAGEMENT AND INTERNAL CONTROLS SYSTEM

The Board acknowledges its responsibility for the Group's system of risk management and internal control and for reviewing its effectiveness regularly by setting up an internal audit and risk management audit function which provides support to the Audit Committee in discharging its duties with respect to the adequacy and integrity of the system of risk management and internal control within the Group.

The Statement on Risk Management and Internal Control, which has been reviewed by the External Auditors and Audit Committee, is set out on pages 79 to 82 of this annual report.

INTERNAL AUDIT FUNCTION

The Directors acknowledge their responsibility for maintaining a system of internal control and risk management. The Board seeks regular assurance on the continuity and effectiveness of the internal control and risk management system through independent review by the internal auditors.

The internal audit function is independent of the operations of the Group and provides reasonable assurance that the Group's system of internal control and risk management is satisfactory and operating effectively.

The activities of the internal auditors during the financial year are set out in the Audit Committee Report set out on pages 71 to 73 of this annual report.

PRINCIPLE C

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

COMPLIANCE WITH APPLICABLE FINANCIAL REPORTING STANDARDS

The Directors are required by the Companies Act 2016 to ensure that financial statements prepared for each financial year give a true and fair view of the state of affairs of the Company and the Group. The Directors are satisfied with the presentation of the financial statements, which have been prepared in accordance with the applicable accounting standards, consistently applied and supported by reasonable and prudent judgments and estimates. The Audit Committee assists the Board by scrutinising the information to be disclosed to ensure accuracy and adequacy. The Group's financial statements are presented on pages 89 to 162 of this annual report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

ASSESSMENT OF SUITABILITY AND INDEPENDENCE OF EXTERNAL AUDITORS

Through the Audit Committee of the Board, the Group has established a transparent and appropriate relationship with the Group's auditors, both internal and external. The external auditors are invited to attend meetings on special matters when necessary.

STATEMENT ON DIRECTORS' RESPONSIBILITIES

The Directors are required by the Companies Act 2016 to prepare financial statements which have been made out in accordance with the Financial Reporting Standards in Malaysia and to give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year and of the results and cash flows of the Group and the Company for the financial year then ended.

In preparing the financial statements, the Directors have:

- adopted appropriate accounting policies and applied them consistently;
- ensured that Financial Reporting Standards in Malaysia have been followed; and
- considered the going concern basis used as being appropriate.

The Directors are responsible for ensuring that proper accounting records are kept in compliance with the Companies Act 2016 and disclose with reasonable accuracy of the financial position of the Group and of the Company.

The Directors are also responsible for taking reasonable steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

ENSURE TIMELY AND HIGH QUALITY DISCLOSURE

CORPORATE DISCLOSURE POLICY

The Board is satisfied that during the financial year under review, the Company has applied most of the Principles and Recommendations of the Code.

The Board will, moving forward, continue to make considerable efforts in working towards aligning the Company's governance framework, as far as practicable, to the Principles and Recommendations of the Code.

LEVERAGE ON INFORMATION TECHNOLOGY FOR EFFECTIVE DISSEMINATION OF INFORMATION

The Board values the importance of effective, clear and timely releases of financial information and updates on other developments to enable shareholders and the general public to receive information on the performance and prospects of the Group on a regular basis.

Shareholders, investors and members of the public are able to access such announcements on Bursa Securities' website at www.bursamalaysia.com and other information via the Company's website at www.huayang.com.my.

Shareholders, investors and members of the public may also forward their queries to the Company by contacting its Corporate Communication team at Tel: 603-6188 4488 and Email: kl@huayang.com.my.

The Board recognises the use of the Annual General Meeting as a principal forum for dialogue and communication with shareholders. Extraordinary General Meetings are held as and when required.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

ENCOURAGE SHAREHOLDER PARTICIPATION AT GENERAL MEETINGS

The Annual Report, which contains the Notice of Annual General Meeting, is sent to shareholders at least twenty-eight (28) days prior to the date of the meeting. Items of special business included in the Notice of Annual General Meeting will be accompanied by an explanation of the proposed resolution.

At each meeting, shareholders are able to participate in the question-and-answer session in respect of the matters listed in the Notice of Annual General Meeting. There is no time limitation for shareholders to raise questions and to solicit replies from the Board.

Paragraph 8.29A of the Listing Requirements provides that any resolution set out in the notice of any general meeting or in any notice of resolution which is properly moved and is intended to be moved at any general meeting, shall be voted by poll. At least one (1) scrutineer will be appointed to validate the votes cast at the general meeting who must not be an officer of the Company or its related corporation, and must be independent of the person undertaking the polling process. Consequently, decisions at the Company's Annual General Meeting scheduled to be held on 2 September 2026 will be conducted via polling, and for this purpose, the Company will engage independent scrutineers to validate the voting at the forthcoming Annual General Meeting for each proposal presented to shareholders.

EFFECTIVE COMMUNICATION AND PROACTIVE ENGAGEMENT

An Investor Relations and Shareholder Communication Policy has been adopted by the Board to enable the Company to communicate effectively with its shareholders, potential investors, other stakeholders and the public in general. The Board recognises and values the importance of informing shareholders of all major developments of the Group on a timely basis.

Apart from the mandatory announcements on the Group's financial results and corporate developments to Bursa Securities, the Group disseminates information to the public via social media which provide up-to-date information on the Group's key corporate initiatives, new products and services launches.

TIME COMMITMENT

Board meetings are held at regular intervals with additional meetings convened when necessary. During the financial year, the Board met five (5) times to review the Group's operations, quarterly and annual financial statements and any other matters that required the Board's approval. Details of each Director's attendance are set out on page 23 of this annual report.

AUDIT COMMITTEE REPORT

For the financial year ended 31 March 2026, the Audit Committee comprised of the following members:-

Chairman Choo Seng Choon (Independent Non-Executive Director)

Members Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud (Independent Non-Executive Director)
Chew Hoe Soon (Non-Independent Non-Executive Director)

KEY FUNCTIONS OF AUDIT COMMITTEE

- To consider any related party transaction and conflict of interest situation that arose, persist or may arise within the Group including any transaction, procedure or course of conduct that raises questions of management integrity and the measures taken to resolve, eliminate or mitigate such conflicts;

- To review the quarterly unaudited financial results announcements, the audited financial statements of the Group before recommending for the Board of Directors' approval, focusing on:

  - compliance with accounting standards and regulatory requirements
  - any changes in accounting policies and practices
  - compliance with Bursa Malaysia and other statutory requirements
  - going concern issues of any activities
  - significant and unusual issues arising from the audit

- To discuss with the external auditor the results of the audit and areas for improvement in the system of internal control identified during the audit, if any;

- To consider and recommend the appointment of the external auditors, their remuneration and any questions of resignation or dismissal;

- To recommend the nomination of a person or persons as external, internal and risk auditors;

- To assist the Board in the review of adequacy and effectiveness of the internal control system including information technology security and control, and the policies and compliance procedures with respect to business practice;

- To review the risk management policies and practices of the Group to ensure their effectiveness;

- To assist the Board in the preparation of the Audit Committee Report for inclusion in the Annual Report;

- To discuss with the external auditors, their audit plan and the scope of audit and ensure co-ordination where more than one audit firm is involved;

- To review the assistance given by the employees of the Group to the external auditors;

- To carry out such other responsibilities, functions or assignments as may be directed by the Board of Directors from time to time;

- To review the findings of any examination by regulatory agencies and any auditor observations relating to compliance matters;

- To do the following in relation to the outsourced internal audit function:

  - to review the internal audit programme and consider the findings arising from internal audit report or other internal investigations and management's response and to determine appropriate corrective actions required by management;
  - review the adequacy of the scope, functions and resources of the internal audit function, and that it has the necessary authority to carry out its work; and
  - to assess the performance of the outsourced service provider.

- To consider other topics as defined by the Board.

AUDIT COMMITTEE REPORT

MEETINGS

Five (5) meetings were held during the financial year ended 31 March 2026 and the attendance of the Audit Committee is as follows:

No.	Name of Committee Members	Attendance
1.	Choo Seng Choon	5/5
2.	Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud	5/5
3.	Chew Hoe Soon	5/5

The External Auditors were invited to present their report on the examination of the financial statements. The Audit Committee met with the External Auditors on 23 July 2025 , without the presence of the Executive Director and the Company's Management, and again on 16 March 2026. The CEO and Financial Controller attended the Audit Committee meetings to present the financial results whilst other Board members attended on invitation.

The Chairman of the Audit Committee maintained ongoing engagement with the Company's senior management to keep abreast of matters affecting the Group.

Nothing has came to the attention of the Audit Committee that causes them to believe that the financial reporting is inconsistent with the accounting standards and other legal requirements.

HIGHLIGHTS OF ACTIVITIES

In accordance with the terms of reference of the Audit Committee, the following activities were undertaken by the Audit Committee during the financial year ended 31 March 2026:

(a) Reviewed the unaudited consolidated quarterly results and audited financial statements of the Company and of the Group before recommending them to the Board for approval and prior to the announcement/submission to Bursa Securities.

(b) Reviewed the findings of the statutory audit with the external auditors.

(c) Reviewed the performance of the external auditors and internal auditors.

(d) Approved the Internal Audit Plan for the financial year ending 31 March 2026 and 2027.

(e) Reviewed the internal audit reports and considered the major findings of internal audit review and management's response.

(f) Reviewed the follow-up on previous internal audit reports.

(g) Reviewed and received the group risk assessment report.

(h) Reviewed the Statement on Risk Management and Internal Control and the Audit Committee Report for inclusion into the Annual Report.

(i) Reviewed the re-appointment of external auditors and the proposed audit fees prior to recommending the same to the Board for approval.

(j) Reviewed the Audit Planning Memorandum for the financial year ended 31 March 2025 with the external auditors.

AUDIT COMMITTEE REPORT

INTERNAL AUDIT FUNCTION

During the financial year 2026, the Group outsourced its internal audit function to an external professional service provider firm, Augment GC Sdn Bhd ("AUGMENT"), as the internal auditor of the Group to assist the Audit Committee in discharging its duties and responsibilities more effectively. AUGMENT acted independently and with due professional care and presented the Internal Audit Reports on the findings and recommendations to the Audit Committee.

The reviews were conducted on a risk-based approach and were guided by the International Professional Practice Framework on Internal Auditing that is promulgated by the Institute of Internal Auditors. The internal audit reviews involved walkthroughs, high-level reviews, discussions held with top management and key management as well as tests of transactions on a sampling basis covering various related records and documents, supplemented with an observation of its internal control deficiencies in its current practice, if any.

The Audit Committee has full and direct access to the outsourced Internal Auditors, reviews its internal audit plan and reports on audits performed, and monitors its performance. The Audit Committee also reviews the adequacy of the scope, functions, competency and resources of outsourced internal audit functions from time to time.

For the financial year 2026, the main activities of the internal audit function focused on the assessment of adequacy and effectiveness of system of internal control and compliance with the Group's policies and procedures over Treasury Management and Information Technology.

The reviews were conducted to assist the Audit Committee to independently assessing the adequacy and effectiveness of the Group's system of internal control and make recommendations for improvement. The audit findings and recommendations for improvement and the status of the implementation status of management's action plans were presented at the Audit Committee's scheduled meetings.

The total cost incurred for the Group's internal audit services in respect of the financial year 2026 was RM35,231.

NOMINATION COMMITTEE REPORT

COMPOSITION

For the financial year ended 31 March 2026, the Nomination Committee comprised of the following members:-

Chairman	Choo Seng Choon (Independent Non-Executive Director)
Members	Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud (Independent Non-Executive Director) Chew Hoe Soon (Non-Independent Non-Executive Director)

The Nomination Committee has a written terms of reference dealing with its authority and duties which includes the selection and assessment of Directors.

KEY FUNCTIONS OF NOMINATION COMMITTEE

The key functions of the Nomination Committee are as follows:

- Review and recommend to the Board for approval the following appointments:

  (a) Members of the Board;
  (b) Members of the Board Committees;
  (c) Members of the Management Committees;
  (d) Senior Independent Non-Executive Director; and
  (e) Chief Executive Officer.

- Review regularly the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and make recommendations to the Board with regard to any changes;

- Assess annually, the effectiveness of the Board as a whole and each individual Director, as well as the effectiveness of the various committees of the Board, including the establishment and implementation of processes for assessing the effectiveness of the Board as a whole, the Committees of the Board and the contribution of each director, including his time commitment, character, experience and integrity and all assessments and evaluations carried out by the Committee in the discharge of all its functions shall be properly documented;

- Review annually, the term of office and performance of the Remuneration Committee and of each member of the Audit Committee to determine the Committee have carried out their duties in accordance with their terms of reference;

- Assess on an annual basis the independence of the Independent Non-Executive Directors;

- To give consideration to succession planning for Directors and other Management staff, taking into account the challenges and opportunities facing the Company and the skills and expertise needed on the Board in the future;

- Review the performance of the members of the Management Committee; and

- Assess the training needs of each Directors and make recommendations to the Board.

The Nomination Committee met once during the financial year ended 31 March 2026.

NOMINATION COMMITTEE REPORT

HIGHLIGHTS OF ACTIVITIES

During the financial year ended 31 March 2026, the Nomination Committee, in discharging its functions and duties, carried out the following activities:

a. Assessed the fitness and probity of Directors of the Company and subsidiary companies;

b. Assessed the effectiveness of the Board as a whole, the Board Committees and the contribution of each individual Director;

c. Reviewed the size, composition and the required mix of skills of the Board;

d. Recommended the re-election of retiring Directors to the Board;

e. Assessed the independence of the Independent Directors; and

f. Reviewed and recommended the appointment of Ho Wen Fan as a Non-Independent Non-Executive Director to the Board for approval after considering his qualifications, background, skills, experience, time commitment, competencies, and profile.

The Nomination Committee upon its annual assessment carried out for financial year 2026, was satisfied that:

a. The size and composition of the Company's Board is optimum with appropriate mix of knowledge, skills, attribute and core competencies;

b. The Board has been able to discharge its duties professionally and effectively;

c. The Board Committees have carried out their functions effectively;

d. All the Directors continued to uphold the highest governance standards in discharging their duties and responsibilities;

e. All the Members of the Board are well qualified to hold their positions as Directors of the Company in view of their respective skills and work experience, academics and professional qualifications, depth of knowledge, and their personal qualities;

f. The Directors are able to devote sufficient time commitment to their roles and responsibilities as evidenced by their attendance records; and

g. The training attended by the Directors during the financial year ended 31 March 2026 were relevant and would serve to enhance their effectiveness in the Board.

Retention of Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud as Independent Non-Executive Director

The Nomination Committee, with the abstention of Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud had assessed her independence at its meeting held on 21 May 2026 and recommended to the Board for her continuation as an Independent Non-Executive Director based on the following justifications:

a. She has consistently adhered to the independence guidelines outlined in Chapter 1 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;

b. Her presence on the Board serves as a crucial check and balance, introducing an element of objectivity to the decision-making process;

c. She remains steadfastly independent in her thinking, effectively acting as a constructive challenger to the Chief Executive Officer; and

d. Her active participation in board discussions and provision of an independent voice contribute significantly to the Board's deliberations, ensuring the infusion of unbiased and objective judgments.

ADDITIONAL COMPLIANCE INFORMATION

To comply with the Listing Requirements, the following information is provided:-

1. Utilisation of Proceeds Raised from any Corporate Proposals

There were no corporate proposal undertaken to raise proceeds.

2. Audit and Non-Audit Fees

The details of fees paid / payable to the external auditors for the financial year ended 31 March 2026 as set out below:

	Group (RM'000)	Company (RM'000)
Statutory Audit	254	87
Other Services	6	6
Total	**260**	**93**

3. Material Contracts Involving Directors and Major Shareholders' Interest

There were no material contracts entered into by the Company and/or its subsidiaries involving Directors and major shareholders' interest either subsisting at the end of the financial year or entered into since the end of the previous financial year.

4. Shariah Screening Report

Disclosure of Financial Data for Shariah Screening

Pursuant to Paragraph 9.25A of the Main Market Listing Requirements, below are the financial data that are relevant for the purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia.

(a) Group Total Income and Total Assets

		Group	
Total Income	**Remarks**	**2026 (RM)**	**2025 (RM)**
Revenue		64,015,854	104,560,841
Other income		2,755,308	2,481,497
Interest/Finance income		133,890	157,595
Total		**66,905,052**	**107,199,933**
Total Assets		**886,299,857**	**829,212,809**

ADDITIONAL COMPLIANCE INFORMATION

(b) Business Activities

Shariah Non-Compliant Activities	Remarks	Group 2026 (RM)	Group 2025 (RM)
Interest income	Conventional	133,890	157,595
Total		**133,890**	**157,595**

(c) Component of Financial Position

(i) Cash Component

Islamic Account/Instruments	Remarks	Group 2026 (RM)	Group 2025 (RM)
Cash at bank		837,924	828,211
Deposits with licensed bank		273,432	273,432
Total Cash		**1,111,356**	**1,101,643**

Conventional Account/Instruments	Remarks	Group 2026 (RM)	Group 2025 (RM)
Cash at bank		2,383,912	3,661,749
Cash held under Housing Development Accounts		8,739,291	10,229,026
Deposits with licensed bank		2,491,370	1,469,700
Total Cash		**13,614,573**	**15,360,475**

ADDITIONAL COMPLIANCE INFORMATION

(ii) Debt Component

Islamic Financing	Remarks	Group 2026 (RM)	Group 2025 (RM)
Current			
Other interest bearing debt (please specify in the remarks column)	Sukuk Murabahah	1,852,000	1,858,000
Other interest bearing debt (please specify in the remarks column)	Cash Line	3,358,000	10,041,000
Non-Current			
Other interest bearing debt (please specify in the remarks column)	Sukuk Murabahah	-	1,852,000
Other interest bearing debt (please specify in the remarks column)	Cash Line	34,884,679	19,918,276
Total Financing		**40,094,679**	**33,669,276**

Conventional Borrowing	Remarks	Group 2026 (RM)	Group 2025 (RM)
Current			
Term loans		10,980,910	6,225,594
Revolving credit and loans		20,000,000	18,000,000
Bank overdrafts		42,257,974	15,396,812
Banker's acceptances		-	277,000
Non-Current			
Term loans		148,929,359	118,601,922
Total Debt		**222,168,243**	**158,501,328**

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors ("the Board") of Hua Yang Berhad ("HYB" or "the Company") remains committed towards maintaining high standards of governance, accountability and transparency as well as towards governing itself in accordance with the relevant regulations and laws with the objectives of safeguarding shareholders' interest as well as protecting the Company's assets. In line with this, the Board of Hua Yang is pleased to provide the following statement as required under Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad which is prepared in accordance with the guidance in the Statement on Risk Management and Internal Control: Guidelines for Directors' of Listed Issuers. This statement outlines the nature and scope of internal control of HYB Group ("the Group") and the risk management framework for the financial year ended 31 March 2026.

BOARD RESPONSIBILITIES

The Board acknowledges its responsibilities in maintaining a sound risk management framework and internal control system, setting of risk appetite as well as to review the adequacy and integrity of the system. The system of risk management and internal control covers, inter alia, financial, operational, management information systems, organisational and compliance controls. In view of the inherent limitations in any system of risk management and internal control, such system is designed to manage rather than eliminate the risks that may impede the achievement of the Group's business objectives. Accordingly, it can only provide reasonable but not absolute assurance against material misstatement, loss or fraud.

RISK MANAGEMENT AND INTERNAL CONTROL OVERSIGHT STRUCTURE

In fulfilling its fiduciary duty to uphold sound risk management and robust internal control systems, the Board is supported by Audit Committee, Management and Internal Audit Function, collectively serving as the three lines of defence in safeguarding the Group's interest:

THE BOARD

AUDIT COMMITTEE

Oversees the implementation of Risk Management and Internal Control framework

1st Line of Defence
- Head of Department

Implement risk management policies and internal controls within the organisation.

2nd Line of Defence
- Executive Senior Management

Articulates risk management policy and oversees risk management and internal control practices accross the Group.

3rd Line of Defence
- Outsourced Internal Audit Funtion

Conducts independent assessessment and provide objective assurance on the adequacy and effectiveness of governance and risk management.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK MANAGEMENT

The Board confirms that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the Group, and this process has been in place throughout the year and up to the date of approval of this annual report and financial statements. The Board reviews the adequacy and effectiveness of the risk management process across the various business segments within the Group on a periodic basis.

Whilst the Board maintains ultimate control over management of risk and control issues, the Board has outsourced the risk assessment scope of work to a professional services firm to facilitate the risk assessment of the Group within an established framework.

The risk management process of the Group is embedded in the Group's Risk Management Framework & Policy and Procedure. The ERM framework is guided by the principles set out in ISO31000:2018 Risk Management, which is an internationally recognised risk management framework.

The risk management process, amongst others, include the following procedures:
- Continues to strengthen the governance and oversight of significant risks and emerging risks (i.e. cybersecurity risks, technology risks and sustainability-related risks)
- Assess the potential impact and likelihood of the significant risks occurring
- Respond to risks by considering existing controls as well as selecting, prioritising and implementing appropriate actions and risk responses to mitigate residual risks
- Monitor the internal and external environment for potential changes impacting significant risks and ensure that risk responses continue to operate effectively
- Report on significant risks and the status of risk responses adopted
- Implementation of appropriate mitigation measures

The above procedures were undertaken in a risk validation meeting during the year, which is attended by key management personnel and heads of department of the Group's various business segments. The Board has approved the Group's risk appetite and tolerance levels which are considered during risk assessment process. The Significant Risk Profile ("SRP") of the various business segments are updated during such validation meetings in respect of the identification of new and emerging significant risks, the relevance of existing significant risks, details of controls, management's action plans and rating of significant risks.

Based on the information furnished during the validation meetings, information relating to the root causes, possible consequences of significant risks, related controls and risk responses are reflected in the respective individual SRPs. The identified significant risks are also rated and prioritised in terms of likelihood of the risk occurring and its impact should the risk occur. In the event the risk ratings are regarded by the Group to be higher than tolerable levels, action plans and risk responses are devised to establish additional mitigation measures to reduce the risk rating to acceptable levels, where possible.

INTERNAL CONTROL MECHANISM

The internal audit function is outsourced to a professional services firm which report functionally to the Audit Committee. During the financial year ended 31 March 2026, the outsourced internal audit service provider carried out audits in accordance with the internal audit plan approved by the Audit Committee and other areas as required and recommended by Senior Management of the Group. Results of the internal audit visits and recommendations for improvement were presented to the Audit Committee.

During the scheduled internal audit visits, the outsourced internal audit service provider has conducted an assessment to ascertain the adequacy and effectiveness of the Group's internal control system. Areas of improvement in the internal control system have been identified and the implementation of action plans based on proposed recommendations have subsequently been initiated.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

OTHER KEY ELEMENTS OF INTERNAL CONTROL

Organisation Structure & Authorisation Procedures

The Group maintains a formal line of reporting, that includes the division of responsibilities and delegation of authority. It sets out the roles and responsibilities, authority limits, review and approval procedures within the various operational segments. This includes establishing various committees with defined terms of reference.

Periodical and/or Annual Budget

The Group has a budgeting and forecasting system. The annual business plan and budget are approved by the Board. Actual results are monitored against budget where significant variances identified are highlighted to the Board for discussion on corrective action.

Scheduled Operational and Group Operations Committee Meetings

Operational and Group Operations Committee Meetings are held at least once a month to discuss and monitor business and operational performances of the Group. Proceedings of the Operational and Group Operations Committee Meetings are minuted and presented to the Board at their quarterly meetings.

Periodic Reporting

Quarterly Management Discussion and Analysis are submitted by the CEO to the Board to provide a brief overview on financial and operational performance of the Group.

Site Visits

Site visits for on-going projects are performed by members of the Management team to ensure that contractual obligations of the Group are met.

Human Resource Policies & Procedures

Human resource policies and procedures on recruitment, performance appraisals and promotion are in place. The objective of the human resource policies and procedures is to ensure that the Group has a team of employees who are well trained and equipped with the necessary knowledge, skills and abilities to carry out their responsibilities and tasks effectively.

Discretionary Authority Limits

The Board has formally defined levels of authority for various transactions through Hua Yang's Discretionary Authority Limits.

Anti-Bribery and Anti-Corruption Policy

During the year under review, the Group continued to enforce the application of the Anti-Bribery and Anti-Corruption Policy that decrees zero tolerance against all forms of bribery and corruption within the Group. Pursuant to this, the Group has also considered corruption risk as part of the Group's periodic risk assessment to identify areas vulnerable to bribery and corruption.

Whistle Blowing Policy

The Group has promulgated its Whistleblowing Policy to allow for genuine concerns on any improper conduct or behaviour or action within the Group to be reported using private and confidential channels. No reports were received during the financial year.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide 3 (AAPG 3): Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the annual report of the Group for the year ended 31 March 2026 and reported to the Board that nothing has come to their attention that causes them to believe that the statement intended to be included in the annual report of the Group, in all material respect:

(a) has not been prepared in accordance with the disclosures required by section 7 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("SORMIC Guide 2025"), or

(b) is factually inaccurate.

SUMMARY

The Board has received written assurance from Hua Yang's CEO that the risk management and internal control system is operating adequately and effectively in all material aspects.

In accordance with the assessment of the Group's system of risk management and internal control, the Board is of the view that the risks undertaken by the Group were within tolerable level in the context of the business environment the Group operates in. The system of risk management and internal control that existed throughout the year comprising the internal control framework, management processes, monitoring and review process, provided a level of confidence on which the Board is able to rely upon for assurance. Based on the review performed and assurances received, the Board is not aware of any material weaknesses in the Group's system of risk management and internal control that would result in material losses requiring separate disclosure in this Annual Report. Notwithstanding this, the Board will continue to ensure that the Group's system of risk management and internal control will continuously evolve with the current changing and challenging business environment.

This statement was approved by the Board of Directors at its Meeting held on 22 July 2026.

FINANCIAL STATEMENTS

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DIRECTORS' REPORT

For the Financial Year Ended 31 March 2026

The Directors hereby present their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2026.

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	Company RM
Profit for the year attributable to:		
- Owners of the Company	(4,576,813)	(1,769,180)
- Non-controlling interests	(157,825)	-
	(4,734,638)	(1,769,180)

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 2026.

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 Hoe Soon	
Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud	
Choo Seng Choon	
Ho Wen Fan	(Appointed on 10 March 2026)
Chew Po Sim	(Resigned on 2 March 2026)

DIRECTORS OF THE SUBSIDIARIES

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

Ho Wen Yan
Ho Wen Fan
Sa Chee Peng

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

DIRECTORS' INTERESTS IN SHARES

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

	Number of ordinary shares			
The Company	**At 1.4.2025**	**Bought/ Transfer**	**Sold/ Transfer**	**At 31.3.2026**
Direct interest				
Ho Wen Yan	2,255,550	-	-	2,255,550
Chew Hoe Soon	491,942	60,000	-	551,942
Deemed interest				
Tan Sri Dato' Seri Dr. Ting Chew Peh^	1,216,818	-	-	1,216,818
Ho Wen Yan*	150,978,178	-	-	150,978,178
Chew Hoe Soon^	1,012,399	19,000	-	1,031,399
Ho Wen Fan*	150,978,178	-	-	150,978,178

	Number of warrants 2022/2027			
The Company	**At 1.4.2025**	**Bought/ Transfer**	**Sold/ Transfer**	**At 31.3.2026**
Direct interest				
Ho Wen Yan	451,110	-	-	451,110
Chew Hoe Soon	98,388	-	-	98,388
Deemed interest				
Tan Sri Dato' Seri Dr. Ting Chew Peh^	233,319	-	-	233,319
Ho Wen Yan*	38,888,884	-	-	38,888,884
Chew Hoe Soon^	202,479	-	-	202,479
Ho Wen Fan*	38,888,884	-	-	38,888,884

DIRECTORS' INTERESTS IN SHARES (CONT'D)

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

* Deemed interested through shares held in another corporation, Heng Holdings Sdn. Berhad
^ Deemed interested through spouse 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 for the Company as set out in Note 24 to the financial statements are RM1,932,261 and RM1,911,261 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.

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(c) 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 RM7,813 respectively. No indemnity was given to or insurance effected for auditors of the Group during the financial year.

OTHER STATUTORY INFORMATION

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

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

ii) any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.

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

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

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

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

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

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

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

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

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

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 31 March 2026 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

DIRECTORS' REPORT
For the Financial Year Ended 31 March 2026

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 2026 as follow:

	Group RM	Company RM
TGS TW PLT	260,000	93,000

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 22 July 2026.

....
Ho Wen Yan
Director

....
Ho Wen Fan
Director

Kuala Lumpur,

Date: 22 July 2026

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2026

	Note	Group		Company	
		2026 RM	2025 RM	2026 RM	2025 RM
ASSETS					
Property, plant and equipment	2	15,766,781	11,734,138	3,114,452	3,160,100
Right-of-use assets	3	684,646	340,295	262,497	309,552
Investment properties	4	1,395,917	1,439,706	1,586,136	1,632,193
Intangible assets	5	9,687,466	8,310,216	-	-
Investments in subsidiaries	6	-	-	335,059,826	331,407,757
Other investment	7	59,414,556	62,248,414	-	-
Inventories	8	606,428,140	585,760,793	2,922,948	2,898,027
Trade and other receivables	9	2,454,470	2,232,460	30,420	30,420
Cash and bank balances	10	4,423,226	1,931,856	373,432	373,432
Deferred tax assets	11	21,738,717	19,656,467	1,898,800	1,898,800
Total non-current assets		721,993,919	693,654,345	345,248,511	341,710,281
Inventories	8	129,125,697	79,855,299	251,338	251,338
Contract assets	12	11,635,951	9,510,646	-	-
Contract costs	12	1,639,430	4,551,766	-	-
Other current assets	13	188,304	173,932	51,322	157,212
Trade and other receivables	9	11,413,853	26,936,559	190,420,694	168,143,843
Tax recoverable		-	-	291,233	-
Cash and bank balances	10	10,302,703	14,530,262	948,246	1,111,047
Total current assets		164,305,938	135,558,464	191,962,833	169,663,440
Total assets		886,299,857	829,212,809	537,211,344	511,373,721

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2026

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
EQUITY					
Share capital	14	364,936,000	364,936,000	364,936,000	364,936,000
Reserves	15	19,764,888	5,275,746	2,904,000	2,904,000
Retained earnings		104,213,870	109,615,683	30,582,244	32,351,424
Equity attributable to owners of the Company		488,914,758	479,827,429	398,422,244	400,191,424
Perpetual sukuk	16	-	-	-	-
Non-controlling interests		21,661,879	21,819,704	-	-
Total equity		510,576,637	501,647,133	398,422,244	400,191,424
LIABILITIES					
Trade and other payables	17	19,246,679	24,661,844	-	-
Deferred tax liabilities	11	30,082,267	30,142,615	-	-
Loans and borrowings	18	183,814,038	140,372,198	34,884,679	22,160,643
Lease liabilities	19	256,954	27,583	3,015	7,614
Total non-current liabilities		233,399,938	195,204,240	34,887,694	22,168,257
Trade and other payables	17	62,969,043	71,749,061	63,084,649	51,924,510
Contract liabilities	12	41,689	6,084,011	-	-
Loans and borrowings	18	78,448,884	51,798,406	40,811,700	36,963,919
Lease liabilities	19	156,909	16,683	5,057	4,642
Current tax liabilities		706,757	2,713,275	-	120,969
Total current liabilities		142,323,282	132,361,436	103,901,406	89,014,040
Total liabilities		375,723,220	327,565,676	138,789,100	111,182,297
Total equity and liabilities		886,299,857	829,212,809	537,211,344	511,373,721

The notes on pages 101 to 162 are an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Financial Year Ended 31 March 2026

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
Revenue	20	64,015,854	104,560,841	5,478,600	9,161,400
Cost of sales		(40,576,537)	(66,567,119)	-	-
Gross profit		23,439,317	37,993,722	5,478,600	9,161,400
Other income	21	2,889,198	2,639,092	5,512,000	5,994,034
Administrative expenses		(20,731,705)	(21,297,582)	(7,579,549)	(8,376,692)
Selling and marketing expenses		(3,711,796)	(4,108,955)	(1,750)	(20,435)
Net losses on impairment of financial instruments		(766,031)	(352,631)	(16,990)	(458,334)
Profit from operations	22	1,118,983	14,873,646	3,392,311	6,299,973
Finance costs	23	(4,240,615)	(4,722,862)	(5,326,109)	(5,898,341)
(Loss)/Profit before tax		(3,121,632)	10,150,784	(1,933,798)	401,632
Tax expense	25	(1,613,006)	(3,823,615)	164,618	(371,510)
(Loss)/Profit for the financial year		(4,734,638)	6,327,169	(1,769,180)	30,122

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Financial Year Ended 31 March 2026

	Note	Group		Company	
		2026 RM	2025 RM	2026 RM	2025 RM
Other comprehensive income, net of tax					
Item that will not be reclassified subsequently to profit or loss					
Net changes in fair value of equity investment designated at fair value through other comprehensive income ("FVTOCI")		13,664,142	4,630,048	-	-
Total comprehensive income/(loss)		8,929,504	10,957,217	(1,769,180)	30,122
(Loss)/Profit attributable to:					
Owners of the Company		(4,576,813)	6,572,307	(1,769,180)	30,122
Non-controlling interests		(157,825)	(245,138)	-	-
(Loss)/Profit for the financial year		(4,734,638)	6,327,169	(1,769,180)	30,122
Total comprehensive income/(loss) attributable to:					
Owners of the Company		9,087,329	11,202,355	(1,769,180)	30,122
Non-controlling interests		(157,825)	(245,138)	-	-
Total comprehensive income/(loss) for the financial year		8,929,504	10,957,217	(1,769,180)	30,122
Basic (loss)/earning per ordinary share (sen)	26	(1.04)	1.49		
Diluted (loss)/earning per ordinary share (sen)	26	(0.89)	1.29		

The notes on pages 101 to 162 are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Financial Year Ended 31 March 2026

	Attributable to owners of the Company							
			Non-distributable		Distributable			
	Share capital RM	Warrants reserves RM	Translation reserves RM	Fair value reserve RM	Retained earnings RM	Total RM	Non-controlling interests RM	Total equity RM
Group								
At 1 April 2025	364,936,000	2,904,000	(5,345,000)	7,716,746	109,615,683	479,827,429	21,819,704	501,647,133
Total other comprehensive income for the financial year								
- Net changes in fair value of equity investment designated at FVTOCI	-	-	-	13,664,142	-	13,664,142	-	13,664,142
Transfer upon disposal of equity instruments designated at FVTOCI	-	-	5,345,000	(4,520,000)	(825,000)	-	-	-
Loss for the financial year	-	-	-	-	(4,576,813)	(4,576,813)	(157,825)	(4,734,638)
Total comprehensive income for the financial year	-	-	5,345,000	9,144,142	(5,401,813)	9,087,329	(157,825)	8,929,504
At 31 March 2026	364,936,000	2,904,000	-	16,860,888	104,213,870	488,914,758	21,661,879	510,576,637
	Note 14	Note 15	Note 15	Note 15				

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Financial Year Ended 31 March 2026

	Attributable to owners of the Company								
		← Non-distributable →			Distributable				
	Share capital RM	Warrants reserves RM	Translation reserves RM	Fair value reserve RM	Retained earnings RM	Total RM	Non-controlling interests RM	Perpetual sukuk RM	Total equity RM
Group									
At 1 April 2024	364,936,000	2,904,000	(5,345,000)	3,086,698	103,043,376	468,625,074	22,064,842	4,872,247	495,562,163
Total other comprehensive income for the financial year									
- Net changes in fair value of equity investment designated at FVTOCI	-	-	-	4,630,048	-	4,630,048	-	-	4,630,048
Profit for the financial year	-	-	-	-	6,572,307	6,572,307	(245,138)	-	6,327,169
Total comprehensive income for the financial year	-	-	-	4,630,048	6,572,307	11,202,355	(245,138)	-	10,957,217
Transaction with owners:									
- Issuance of perpetual sukuk (net of expense)	-	-	-	-	-	-	-	127,753	127,753
- Settlement of perpertual sukuk	-	-	-	-	-	-	-	(5,000,000)	(5,000,000)
	-	-	-	-	-	-	-	(4,872,247)	(4,872,247)
At 31 March 2025	364,936,000	2,904,000	(5,345,000)	7,716,746	109,615,683	479,827,429	21,819,704	-	501,647,133
	Note 14	Note 15	Note 15	Note 15				Note 16	

STATEMENT OF CHANGES IN EQUITY

For the Financial Year Ended 31 March 2026

	Attributable to owners of the Company				
	Share capital RM	Warrants reserve RM	Retained earnings RM	Perpetual sukuk RM	Total equity RM
Company					
At 1 April 2024	364,936,000	2,904,000	32,321,302	4,872,247	405,033,549
Profit and total comprehensive income for the financial year	-	-	30,122	-	30,122
Transaction with owners:					
- Issuance of perpetual sukuk (net of expense)	-	-	-	127,753	127,753
- Settlement of perpetual sukuk	-	-	-	(5,000,000)	(5,000,000)
	-	-	-	(4,872,247)	(4,872,247)
At 31 March 2025	364,936,000	2,904,000	32,351,424	-	400,191,424
At 1 April 2025	364,936,000	2,904,000	32,351,424	-	400,191,424
Loss and total comprehensive loss for the financial year	-	-	(1,769,180)	-	(1,769,180)
At 31 March 2026	364,936,000	2,904,000	30,582,244	-	398,422,244
	Note 14	Note 15		Note 16	

The notes on pages 101 to 162 are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 31 March 2026

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Cash flows from operating activities					
(Loss)/Profit before tax		(3,121,632)	10,150,784	(1,933,798)	401,632
Adjustments for:					
Amortisation of intangible assets	5	671,943	671,943	-	-
Bad debts written off		26,212	2,934	15,589	-
Depreciation of:					
- investment properties	4	43,789	42,758	46,057	46,058
- property, plant and equipment	2	2,361,222	696,282	199,400	298,430
- right-of-use assets	3	112,436	211,550	47,697	47,658
Deposit forfeited	21	(20,300)	(11,900)	-	-
Deposit written off		4,332	676,800	-	674,300
Dividend income	20	-	-	(300,000)	(3,378,000)
Finance income	21	(133,890)	(157,595)	(5,394,450)	(5,564,667)
Finance costs	23	14,357,992	11,428,797	5,326,109	5,898,341
Loss on/(Reversal of) impairment loss:					
- amounts due from subsidiaries		-	-	(890,750)	356,583
- other receivables		907,740	228,577	907,740	101,751
- trade receivables		(141,709)	124,054	-	-
- intangible assets		-	1,394,405	-	-
Payables written-back		(281,021)	-	-	-
Property, plant and equipment written off		9,592	14,464	-	-
Reversal of write-down of inventories		(484,734)	-	-	-
Reversal of provision for damage claims		-	(306,536)	-	(306,536)
Operating profit/(loss) before changes in working capital		14,311,972	25,167,317	(1,976,406)	(1,424,450)

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 31 March 2026

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Cash flows from operating activities (cont'd)				
Operating profit/(loss) before changes in working capital	14,311,972	25,167,317	(1,976,406)	(1,424,450)
Changes in working capital:				
- Contract assets	(2,125,305)	44,205,671	-	-
- Contract liabilities	(6,042,322)	6,084,011	-	-
- Contract costs	2,912,336	2,055,749	-	-
- Inventories	(78,210,016)	(16,219,685)	(24,921)	(50,933)
- Trade and other receivables and other current assets	14,489,749	2,449,544	1,230,996	752,700
- Trade and other payables	(15,251,750)	(43,285,721)	38,540	(759,133)
Cash (used in)/generated from operations	(69,915,336)	20,456,886	(731,791)	(1,481,816)
Interest paid	(2,958,261)	(3,279,393)	(1,820,563)	(2,225,586)
Interest received	133,890	157,595	5,394,450	5,564,667
Net tax paid	(6,122,122)	(6,525,393)	(247,584)	(424,541)
Net cash (used in)/from operating activities	(78,861,829)	10,809,695	2,594,512	1,432,724

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 31 March 2026

	Note	Group		Company	
		2026 RM	2025 RM	2026 RM	2025 RM
Cash flows from investing activities					
Additions of:					
- property, plant and equipment	2	(4,444,065)	(6,004,356)	(153,752)	(10,358)
Acquisition of subsidiary companies, net of cash	6(b)	(3,651,069)	-	(3,652,069)	-
Net advance from/(repayment to) subsidiaries		-	-	(23,434,536)	12,133,116
Dividends received		-	-	300,000	3,378,000
Proceeds from disposal of other investments		16,498,000	-	-	-
Net cash from/(used in) investing activities		8,402,866	(6,004,356)	(26,940,357)	15,500,758
Cash flows from financing activities					
Change in pledged deposits		(2,491,370)	1,530,300	-	3,000,000
Interest paid		(915,804)	(1,272,942)	(2,665,658)	(2,787,419)
Drawdown of loans and borrowings		113,531,929	88,249,000	16,000,000	30,000,000
Proceeds from:					
- issuance of perpetual sukuk, net of expenses		-	127,753	-	127,753
Repayment of loans and borrowings		(70,667,323)	(79,583,869)	(8,599,898)	(30,723,692)
Amount carried down		39,457,432	9,050,242	4,734,444	(383,358)

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 31 March 2026

	Note	Group		Company	
		2026 RM	2025 RM	2026 RM	2025 RM
Cash flows from financing activities (cont'd)					
Amount brought down		39,457,432	9,050,242	4,734,444	(383,358)
Settlement of perpetual sukuk		-	(5,000,000)	-	(5,000,000)
Payment of lease liabilities	(ii)	(87,190)	(302,691)	(4,826)	(135,488)
Net repayment to subsidiaries		-	-	10,284,711	(6,079,014)
Net cash from/(used in) financing activities		39,370,242	3,747,551	15,014,329	(11,597,860)
Net (decrease)/increase in cash and cash equivalents		(31,088,721)	8,552,890	(9,331,516)	5,335,622
Cash and cash equivalents at the beginning of financial year		(866,550)	(9,419,440)	(4,928,278)	(10,263,900)
Cash and cash equivalents at the end of financial year	(i)	(31,955,271)	(866,550)	(14,259,794)	(4,928,278)

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 31 March 2026

(i) Cash and cash equivalents

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

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
Deposits		2,764,802	1,743,132	273,432	273,432
Cash in hand and at bank		11,961,127	14,718,986	1,048,246	1,211,047
Cash and bank balances	10	14,725,929	16,462,118	1,321,678	1,484,479
Less: Pledged deposits	10	(4,423,226)	(1,931,856)	(373,432)	(373,432)
Less: Bank overdrafts	18	(42,257,974)	(15,396,812)	(15,208,040)	(6,039,325)
		(31,955,271)	(866,550)	(14,259,794)	(4,928,278)

(ii) Cash outflows for leases as a lessee

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Included in net cash from operating activities				
Payment relating to short-term leases	(261,354)	(251,076)	-	-
Payment relating to leases of low-value assets	(27,169)	(20,461)	-	-
Interest paid in relation to lease liabilities	(17,254)	(19,053)	(340)	(14,155)
Included in net cash from financing activities				
Payment of lease liabilities	(87,190)	(302,691)	(4,826)	(135,488)
Total cash outflows for leases	(392,967)	(593,281)	(5,166)	(149,643)

The notes on pages 101 to 162 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 2026 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 2026 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 22 July 2026.

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 amended standards

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

Amendments to MFRS 121	Lack of Exchangeability

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

1. BASIS OF PREPARATION (CONT'D)

(a) Statement of compliance (cont'd)

(ii) Standards issued but not yet effective

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

		Effective dates for financial periods beginning on or after
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements - Volume 11	Amendments to MFRS 1 Amendments to MFRS 7 Amendments to MFRS 9 Amendments to MFRS 10 Amendments to MFRS 107	1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 121	Translation to a Hyperinflationary Presentation Currency	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 new MFRSs and 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.

(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.

1. BASIS OF PREPARATION (CONT'D)

(c) Use of estimates and judgements (cont'd)

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

	Freehold land RM	Land (right-of-use assets) RM	Buildings RM	Furniture, fittings, office equipment and renovation RM	Capital work-in-progress RM	Motor vehicles RM	Total RM
Group							
Cost							
At 1 April 2024	514,310	1,572,744	12,173,378	9,474,043	-	8,250	23,742,725
Additions	-	-	310,396	363,193	5,061,245	269,522	6,004,356
Transfer from inventory	-	-	888,924	-	-	-	888,924
Write off	-	-	(1,007,500)	(237,598)	-	-	(1,245,098)
At 31 March 2025/1 April 2025	514,310	1,572,744	12,365,198	9,599,638	5,061,245	277,772	29,390,907
Additions	-	-	948,360	1,324,885	1,849,873	320,947	4,444,065
Transfer from inventory	-	-	1,959,392	-	-	-	1,959,392
Reclassification	-	-	5,048,378	1,862,740	(6,911,118)	-	-
Write off	-	-	(6,226,937)	(412,091)	-	-	(6,639,028)
At 31 March 2026	514,310	1,572,744	14,094,391	12,375,172	-	598,719	29,155,336
Depreciation							
At 1 April 2024	-	271,813	9,604,003	8,308,057	-	7,248	18,191,121
Depreciation for the financial year	-	16,497	280,039	395,254	-	4,492	696,282
Write off	-	-	(1,007,469)	(223,165)	-	-	(1,230,634)
At 31 March 2025/1 April 2025	-	288,310	8,876,573	8,480,146	-	11,740	17,656,769
Depreciation for the financial year	-	13,348	1,500,588	729,192	-	118,094	2,361,222
Write off	-	-	(6,226,909)	(402,527)	-	-	(6,629,436)
At 31 March 2026	-	301,658	4,150,252	8,806,811	-	129,834	13,388,555
Carrying amount							
At 31 March 2025	514,310	1,284,434	3,488,625	1,119,492	5,061,245	266,032	11,734,138
At 31 March 2026	514,310	1,271,086	9,944,139	3,568,361	-	468,885	15,766,781

NOTES TO THE FINANCIAL STATEMENTS

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

	Land (right-of-use assets) RM	Buildings RM	Furniture, fittings, office equipment and renovation RM	Total RM
Company				
Cost				
At 1 April 2024	1,254,000	2,490,204	6,407,354	10,151,558
Additions	-	-	10,358	10,358
At 31 March 2025/1 April 2025	1,254,000	2,490,204	6,417,712	10,161,916
Additions	-	-	153,752	153,752
At 31 March 2026	1,254,000	2,490,204	6,571,464	10,315,668
Depreciation				
At 1 April 2024	221,732	811,488	5,670,166	6,703,386
Depreciation for the financial year	13,063	49,804	235,563	298,430
At 31 March 2025/1 April 2025	234,795	861,292	5,905,729	7,001,816
Depreciation for the financial year	13,062	49,804	136,534	199,400
At 31 March 2026	247,857	911,096	6,042,263	7,201,216
Carrying amount				
At 31 March 2025	1,019,205	1,628,912	511,983	3,160,100
At 31 March 2026	1,006,143	1,579,108	529,201	3,114,452

(a) Assets pledged as securities to licensed banks

Land and buildings of the Group and of the Company amounting to RM6,274,751 (2025: RM3,962,359) and RM2,585,251 (2025: RM2,648,117) respectively have been charged as securities for bank borrowings granted as disclosed in Note 18 to the financial statements.

(b) Land (right-of-use assets)

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 75 years (2025: 76 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 and capital work-in-progress are stated at cost less impairment losses and not depreciated.

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

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

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.

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
Group				
Cost				
At 1 April 2024		1,572,864	510,313	2,083,177
Additions		44,263	-	44,263
Derecognition		(1,572,864)	(7,216)	(1,580,080)
At 31 March 2025/1 April 2025		44,263	503,097	547,360
Additions		-	454,705	454,705
Remeasurement		-	2,082	2,082
Derecognition		(44,263)	(12,622)	(56,885)
At 31 March 2026		-	947,262	947,262
Depreciation				
At 1 April 2024		1,457,343	118,252	1,575,595
Depreciation for the financial year	22	154,839	56,711	211,550
Derecognition		(1,572,864)	(7,216)	(1,580,080)
At 31 March 2025/1 April 2025		39,318	167,747	207,065
Depreciation for the financial year	22	4,945	107,491	112,436
Derecognition		(44,263)	(12,622)	(56,885)
At 31 March 2026		-	262,616	262,616
Carrying amount				
At 31 March 2025		4,945	335,350	340,295
At 31 March 2026		-	684,646	684,646

NOTES TO THE FINANCIAL STATEMENTS

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

	Note	Office equipment RM
Company		
Cost		
At 1 April 2024/31 March 2025		453,620
Remeasurement		642
At 31 March 2026		454,262
Depreciation		
At 1 April 2024		96,410
Depreciation for the financial year	22	47,658
At 31 March 2025/1 April 2025		144,068
Depreciation for the financial year	22	47,697
At 31 March 2026		191,765
Carrying amount		
At 31 March 2025		309,552
At 31 March 2026		262,497

(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.

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	
	2026 RM	2025 RM	2026 RM	2025 RM
Cost				
At beginning/end of financial year	2,262,959	2,262,959	2,538,367	2,538,367
Depreciation				
At beginning of financial year	823,253	780,495	906,174	860,116
Depreciation for the financial year	43,789	42,758	46,057	46,058
At end of financial year	867,042	823,253	952,231	906,174
Carrying amount				
At end of financial year	1,395,917	1,439,706	1,586,136	1,632,193
Included in the above are:				
Freehold land	51,189	51,189	235,495	235,495
Buildings	1,344,728	1,388,517	1,350,641	1,396,698
	1,395,917	1,439,706	1,586,136	1,632,193
Fair value				
At end of financial year	3,385,273	3,556,543	4,447,730	5,222,325

(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. Upon expiry of the initial lease term, the leases are renewable for a period of 1 year. No contingent rents are charged.

(b) Assets held in trust

Investment properties of the Company amounting to RM291,595 (2025: RM294,895) 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 RM1,294,541 (2025: RM1,337,298) have been charged as securities for bank borrowings granted as disclosed in Note 18 to the financial statements.

(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.

NOTES TO THE FINANCIAL STATEMENTS

4. INVESTMENT PROPERTIES (CONT'D)

(d) Fair value measurement (cont'd)

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.

<u>Highest and best use</u>

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	
	2026 RM	2025 RM	2026 RM	2025 RM
Rental income	26,350	26,100	117,550	117,300
Other income	528,273	435,695	-	-
	554,623	461,795	117,550	117,300
Direct operating expenses:				
- income generating investment properties	15,780	90,356	18,938	94,272

(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	Total RM
Group			
Cost			
At 1 April 2024/31 March 2025	16,776,492	15,912,813	32,689,305
Addition	2,049,193	-	2,049,193
At 31 March 2026	18,825,685	15,912,813	34,738,498
Amortisation			
At 1 April 2024	-	(8,693,453)	(8,693,453)
Amortisation for the financial year	-	(671,943)	(671,943)
At 31 March 2025/1 April 2025	-	(9,365,396)	(9,365,396)
Amortisation for the financial year	-	(671,943)	(671,943)
At 31 March 2026	-	(10,037,339)	(10,037,339)
Impairment loss			
At 1 April 2024	(13,108,547)	(510,741)	(13,619,288)
Impairment losses	(716,917)	(677,488)	(1,394,405)
At 31 March 2025/1 April 2025 31 March 2026	(13,825,464)	(1,188,229)	(15,013,693)
Carrying amount			
At 31 March 2025	2,951,028	5,359,188	8,310,216
At 31 March 2026	5,000,221	4,687,245	9,687,466
	Note 5.1	Note 5.2	

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	2026 RM	2025 RM
Group			
Property development			
- Penang	5.1.1	2,320,967	2,320,967
- Perak	5.1.1	2,049,193	-
Operation of concession assets	5.1.2	630,061	630,061
		5,000,221	2,951,028

5.1.1 Property development

The recoverable amounts of the property development cash-generating units in Penang and Perak 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.

No impairment loss was recognised during the current financial year in respect of the property development cash-generating units located in Penang and Perak.

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 5 years (2025: 1 to 4 years).

- The gross development profit margins were expected to be ranging from 24% to 35% (2025: 25% to 28%).

- A pre-tax discount rate of 10% (2025: 11%) 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).

NOTES TO THE FINANCIAL STATEMENTS

5. INTANGIBLE ASSETS (CONT'D)

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

5.1.1 Property development (cont'd)

The sensitivity analysis is presented as follows:

- An increase of 1% (2025: 1%) in the discount rate would not increase impairment loss (2024: No impairment loss).
- A 5% (2025: 5%) decrease in future development profit would not increase the impairment loss (2025: No impairment loss).

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.

In the previous financial year, the carrying amount of concession assets amounting to RM1,346,978 was determined to be higher than its recoverable amount and an impairment loss of RM716,917 was recognised. The impairment loss is recorded within administrative expense in the Statements of Profit or Loss and Other Comprehensive Income.

No impairment loss was recognised in respect of concession assets in current financial year.

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 1 to 14 years (2025: 2 to 15 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 at 95% tenant take-up rate (2025: 95% to 100% tenant take-up rate). Rental is also anticipated to grow by 3% to 10% for every 2 to 5 years (2025: 3% to 10% for every 2 to 5 years).
- A pre-tax discount rate of 10% (2025: 11%) 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% (2025: 1%) in the discount rate would increase impairment loss by RMNil (2025: RM237,803).
- A 5% (2025: 5%) decrease in future annual rental income due to decrease in tenant take-up rate or annual rental growth would increase impairment loss by RMNil (2025:RM635,438).

5. INTANGIBLE ASSETS (CONT'D)

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.

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:

	2026 RM	2025 RM
Group		
Recoverable amount of concession assets	4,687,245	5,359,188

In the previous financial year, the carrying amount of concession assets amounting to RM6,036,676 was determined to be higher than its recoverable amount and an impairment loss of RM677,488 was recognised. The impairment loss is recorded within administrative expense in the Statements of Profit or Loss and Other Comprehensive Income.

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 1 to 14 years (2025: 2 to 15 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

	2026 RM	2025 RM
Company		
Cost - Unquoted shares		
At beginning of financial year	517,731,846	517,731,846
Additions	3,652,069	-
At end of financial year	521,383,915	517,731,846
Impairment loss		
At beginning of financial year/At end of financial year	186,324,089	186,324,089
Carrying amount		
At end of financial year	335,059,826	331,407,757

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 Company has determined the recoverable amount to be RMNil.

Details of the subsidiaries

Name of subsidiary	Place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest 2026 %	2025 %
Yoon Lian Realty Sendirian Berhad	Malaysia	Property development	100	100
Daya Niaga Sdn. Bhd.	Malaysia	Trading of building materials	100	100
Grandeur Park Sdn. Bhd.	Malaysia	Property development and provision of management services	100	100
Prisma Pelangi Sdn. Bhd.	Malaysia	Property development and investment holding activities	100	100
Agro-Mod Industries Sdn. Bhd.	Malaysia	Property development and provision of management services	100	100
Tinggian Development Sdn. Bhd.	Malaysia	Property development and provision of management services	100	100
Pembinaan Hua Yang Sdn. Bhd.	Malaysia	Building construction relating to real estate	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 2026 %	2025 %
Johanjana Corporation Sdn. Bhd.	Malaysia	Operation of commercial properties under the "build, operate and transfer" agreements with local authorities	100	100
Bison Holdings Sdn. Bhd.	Malaysia	Property development	100	100
Prop Park Sdn. Bhd.	Malaysia	Property development	100	100
Sunny Mode Sdn. Bhd.	Malaysia	Property development and provision of management services	100	100
G Land Development Sdn. Bhd.	Malaysia	Property development	100	100
Grand View Realty Sdn. Bhd.	Malaysia	Property development	100	100
Huayang Ventures Sdn. Bhd.	Malaysia	Operating of restaurant, laundry mart and vending machine and property development	100	100
Kajang Heights Development Sdn. Bhd.	Malaysia	Property development	70	70
Huayang Services Sdn. Bhd. (Formerly known as Celestial Solar Farm Sdn. Bhd.)	Malaysia	Investment holding and provision of management services	100	100
Ara Saujana Development Sdn. Bhd.	Malaysia	Property development	100	-
Sulaiman Properties Sdn. Bhd.	Malaysia	Property development	100	-

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(a) Material partly-owned subsidiary company

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

	Kajang Heights Development Sdn. Bhd.	
	2026 RM	2025 RM
Group		
NCI percentage of ownership interest and voting interest	30%	30%
Carrying amount of NCI	21,661,879	21,819,704
Loss allocated to NCI	(157,825)	(245,138)
Summarised financial information before intra-group elimination		
As at 31 March		
Non-current assets	87,350,813	84,725,330
Current assets	30,878,115	32,353,819
Non-current liabilities	(38,158,303)	(42,624,605)
Current liabilities	(7,864,365)	(1,722,201)
Net assets	72,206,260	72,732,343
Year end 31 March		
Loss from continuing operations	(526,083)	(817,126)
Cash flows used in operating activities	(4,007,783)	(2,084,085)
Cash flows from investing activities	1,368,671	3,169,921
Cash flows used in financing activities	(105,460)	(2,073,585)
Net decrease in cash and cash equivalents	(2,744,572)	(987,749)

(b) Acquisition of subsidiaries

Ara Saujana Development Sdn. Bhd.

On 28 May 2025, the Company had incorporated a 100% owned subsidiary, Ara Saujana Development Sdn. Bhd., a company incorporated in Malaysia and principally engaged in property development, for a total consideration of RM1,000.

Sulaiman Properties Sdn. Bhd. ("SPSB")

On 25 August 2025, the Company acquired 100% equity interest in Sulaiman Properties Sdn. Bhd., a company incorporated in Malaysia and principally engaged in property development, for a total consideration of RM3,651,069.

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(b) Acquisition of subsidiaries (cont'd)

Fair value of identifiable assets acquired and liabilities assumed

	SPSB RM
Inventories	1,459,764
Other payables	(1,357,888)
Carrying book value of net assets	101,876
Fair value adjustment to inventories	1,860,000
Deferred tax liability	(360,000)
Total net identifiable assets and liabilities	1,601,876

Net cash outflow arising from acquisition of subsidiary company

	SPSB RM
Purchase consideration settled in cash	3,651,069

Goodwill arising from business combination

Goodwill was recognised as a result of the acquisition as follows:

	SPSB RM
Fair value of consideration transferred	3,651,069
Less: Fair value of identifiable assets acquired and liabilities assumed	(1,601,876)
Goodwill	2,049,193

As of the date this report, management has yet to finalise the Purchase Price Allocation ("PPA") for the business combination, as required by MFRS 3 *Business Combination*. Accordingly, the identifiable assets acquired and liabilities assumed have been recognised on a provisional basis.

Based on preliminary assessment, the fair value adjustment relating to inventories has been estimated at RM1,860,000. Management has recognised the fair value adjustment in the current financial year on a provisional basis, pending the completion of the Purchase Price Allocation. The Group has a measurement period of up to 12 months from the acquisition date to complete the PPA, in accordance with MFRS 3 *Business Combination*. Upon finalisation of the PPA, the Group will recognise any adjustments to the provisional amounts, with a corresponding impact on goodwill. The financial statements therefore reflect provisional values, and adjustments may be required once the PPA is completed.

Acquisition-related costs

The Group incurred acquisition-related costs of RM32,556 related to external legal fees and stamp duty. The expenses have been included in administrative expenses in the statement of profit or loss and other comprehensive income.

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(c) Material accounting policy information

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

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of new subsidiary company is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. Identifiable assets acquired and liabilities and contingent liabilities assumed in business combination are measured initially at their fair values at the acquisition date.

7. OTHER INVESTMENT

	2026 RM	2025 RM
Group		
Non-current		
At fair value through other comprehensive income		
Quoted shares in Malaysia		
At beginning of financial year	62,248,414	57,618,366
Changes in fair value through other comprehensive income	13,664,142	4,630,048
Disposal	(16,498,000)	-
At end of financial year	59,414,556	62,248,414

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.

The investment in equity securities has been pledged as security for bank facilities granted to the Group. Under the terms and conditions of the loan, the Group is prohibited from disposing this investment without furnishing a replacement security of similar value. It has been subsequently discharged in the first quarter of the subsequent financial year.

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	
	2026 RM	2025 RM	2026 RM	2025 RM
Non-current				
Land held for future development	606,428,140	585,760,793	2,922,948	2,898,027
Current				
Developed properties	42,586,811	46,604,507	251,338	251,338
Development properties	86,538,646	33,250,574	-	-
Finished goods	240	218	-	-
	129,125,697	79,855,299	251,338	251,338
	735,553,837	665,616,092	3,174,286	3,149,365
Inventories pledged as securities for bank borrowings (Note 18)				
- Land held for future development	182,970,743	319,470,490	-	-
- Developed properties	20,669,448	21,473,819	251,338	251,338
- Development properties	77,437,265	30,868,643	-	-
	281,077,456	371,812,952	251,338	251,338
Recognised in profit or loss				
- inventories recognised as cost of sales	2,563,899	179	-	-
- reversal of write down of inventories	(484,734)	-	-	-

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.

8. INVENTORIES (CONT'D)

Material accounting policy information (cont'd)

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

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

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.

The Group estimates the net realisable value of inventories based on an assessment of expected selling prices. Demand levels and pricing competition could change from time to time. If such factors result in an adverse effect on the Group's products, the Group might be required to reduce the value of its inventories.

(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

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
Non-current					
Non-trade					
Refundable deposits		2,454,470	2,232,460	30,420	30,420
		2,454,470	2,232,460	30,420	30,420
Current					
Trade					
Trade receivables		7,757,862	18,856,129	-	-
Allowance for impairment loss		(623,304)	(765,013)	-	-
		7,134,558	18,091,116	-	-
Non-trade					
Amounts due from subsidiaries	a	-	-	195,053,598	171,619,062
Goods and Services Tax receivables	b	28,221	28,221	-	-
Other receivables		4,202,040	3,728,956	241,408	370,903
Deposits paid	c	1,202,639	5,334,131	1,113,870	2,125,070
		5,432,900	9,091,308	196,408,876	174,115,035
Allowance for impairment loss		(1,153,605)	(245,865)	(5,988,182)	(5,971,192)
		4,279,295	8,845,443	190,420,694	168,143,843
		11,413,853	26,936,559	190,420,694	168,143,843
		13,868,323	29,169,019	190,451,114	168,174,263

NOTES TO THE FINANCIAL STATEMENTS

9. TRADE AND OTHER RECEIVABLES (CONT'D)

Note a

The amounts due from subsidiaries which amounting to RM189,907,243 (2025: RM165,749,621) are unsecured, subject to interest rate at 2.83% (2025: 3.03%) per annum and repayable on demand.

Note b

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

Note c

In the previous financial year, included in deposits paid of the Group are an amount of RM1,570,000 being deposits paid for acquisition of land.

10. CASH AND BANK BALANCES

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
Non-current					
Deposits placed with licensed banks		2,764,802	1,743,132	273,432	273,432
Cash at bank	a	1,658,424	188,724	100,000	100,000
		4,423,226	1,931,856	373,432	373,432
Current					
Cash in hand and at bank		1,563,412	4,301,236	948,246	1,111,047
Housing Development Accounts	b	8,739,291	10,229,026	-	-
		10,302,703	14,530,262	948,246	1,111,047
		14,725,929	16,462,118	1,321,678	1,484,479
Cash and bank balances pledged to licensed banks as securities for bank borrowings granted	18	4,423,226	1,931,856	373,432	373,432

Note a

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

Note b

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

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	
	2026 RM	2025 RM	2026 RM	2025 RM	2026 RM	2025 RM
Group						
Inventories	2,326,891	3,171,670	(29,851,935)	(29,951,139)	(27,525,044)	(26,779,469)
Property, plant and equipment	-	-	(1,150,240)	(1,266,013)	(1,150,240)	(1,266,013)
Unutilised tax losses	12,494,661	10,058,690	-	-	12,494,661	10,058,690
Unabsorbed capital allowance	1,627,154	1,956,125	-	-	1,627,154	1,956,125
Others	6,427,187	6,220,638	(217,268)	(676,119)	6,209,919	5,544,519
Tax assets/(liabilities)	22,875,893	21,407,123	(31,219,443)	(31,893,271)	(8,343,550)	(10,486,148)
Set-off of tax	(1,137,176)	(1,750,656)	1,137,176	1,750,656	-	-
Net deferred tax assets/ (liabilities)	21,738,717	19,656,467	(30,082,267)	(30,142,615)	(8,343,550)	(10,486,148)
Company						
Property, plant and equipment	-	-	(52,710)	(59,473)	(52,710)	(59,473)
Unabsorbed capital allowance	514,347	525,187	-	-	514,347	525,187
Others	1,437,163	1,433,086	-	-	1,437,163	1,433,086
Tax assets/(liabilities)	1,951,510	1,958,273	(52,710)	(59,473)	1,898,800	1,898,800
Set-off of tax	(52,710)	(59,473)	52,710	59,473	-	-
Net deferred tax assets	1,898,800	1,898,800	-	-	1,898,800	1,898,800

Unutilised tax losses of RM52,061,088 (2025: RM41,911,208), 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 1.4.2024 RM	Recognised in profit or loss (Note 25) RM	At 31.3.2025/ 1.4.2025 RM	Acquisitions through business combination RM	Recognised in profit or loss (Note 25) RM	At 31.3.2026 RM
Group						
Inventories	(27,255,725)	476,256	(26,779,469)	(360,000)	(385,575)	(27,525,044)
Property, plant and equipment	(1,535,720)	269,707	(1,266,013)	-	115,773	(1,150,240)
Unutilised tax losses	11,376,246	(1,317,556)	10,058,690	-	2,435,971	12,494,661
Unabsorbed capital allowance	2,473,736	(517,611)	1,956,125	-	(328,971)	1,627,154
Others	2,107,414	3,437,105	5,544,519	-	665,400	6,209,919
Net deferred tax assets/ (liabilities)	(12,834,049)	2,347,901	(10,486,148)	(360,000)	2,502,598	(8,343,550)
Company						
Property, plant and equipment	(69,211)	9,738	(59,473)	-	6,763	(52,710)
Unutilised tax losses	1,713,259	(1,713,259)	-	-	-	-
Unabsorbed capital allowance	698,619	(173,432)	525,187	-	(10,840)	514,347
Others	-	1,433,086	1,433,086	-	4,077	1,437,163
Net deferred tax assets/ (liabilities)	2,342,667	(443,867)	1,898,800	-	-	1,898,800

12. CONTRACT WITH CUSTOMERS

12.1 Contract assets

	2026 RM	2025 RM
Group		
Contract assets	11,635,951	9,510,646
Contract liabilities	(41,689)	(6,084,011)
	11,594,262	3,426,635

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. CONTRACT WITH CUSTOMERS (CONT'D)

12.1 Contract assets (cont'd)

The contract liabilities primarily relate to the advance consideration received from customer for construction contract, which revenue is recognised over time during the property development activities.

12.2 Contract costs

	2026 RM	2025 RM
Group		
Cost to obtain a contract	491,918	1,210,648
Cost to fulfil a contract	1,147,512	3,341,118
	1,639,430	4,551,766

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 RM1,260,331 (2025: RM2,304,294).

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 RM34,683,432 (2025: RM66,402,005).

13. OTHER CURRENT ASSETS

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Prepaid operating expenses	188,304	173,932	51,322	157,212

NOTES TO THE FINANCIAL STATEMENTS

14. SHARE CAPITAL

	Number of shares 2026 Units	Amount 2026 RM	Number of shares 2025 Units	Amount 2025 RM
Group and Company				
Issued and fully paid shares with no par value classified as equity instruments				
Ordinary shares				
At 1 April/At 31 March	440,000,000	364,936,000	440,000,000	364,936,000

Ordinary shares

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

15. RESERVES

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
Fair value reserve	a	16,860,888	7,716,746	-	-
Translation reserves	b	-	(5,345,000)	-	-
Warrants reserves	c	2,904,000	2,904,000	2,904,000	2,904,000
		19,764,888	5,275,746	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.

15. RESERVES (CONT'D)

(c) Warrants reserves

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

Warrants 2022/2027

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

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

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

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

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

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;

16. PERPETUAL SUKUK (CONT'D)

The salient features of the Perpetual Sukuk are as follows: (cont'd)

(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.

In the previous financial year, the Company settled its outstanding Perpetual Sukuk amounting to RM5,000,000 through voluntary redemption in cash, in accordance with the terms and conditions of the Sukuk agreement.

Upon settlement, the Perpetual Sukuk was derecognised from equity, and no gain or loss was recognised, as the transaction was with equity holders and recorded directly in equity.

NOTES TO THE FINANCIAL STATEMENTS

17. TRADE AND OTHER PAYABLES

	Note	Group		Company	
		2026 RM	2025 RM	2026 RM	2025 RM
Non-current					
Trade					
Trade payables	a	18,947,983	24,349,165	-	-
Non-trade					
Refundable deposits		298,696	312,679	-	-
		19,246,679	24,661,844	-	-
Current					
Trade					
Trade payables		46,281,265	49,112,488	-	-
Non-trade					
Amounts due to subsidiaries	b	-	-	61,587,688	50,466,089
Accrued operating expenses		7,009,792	11,986,962	1,260,550	1,201,900
Other payables		8,286,280	9,274,105	225,341	245,451
Refundable deposits		1,236,727	1,217,737	11,070	11,070
Provisions	c	154,979	157,769	-	-
		16,687,778	22,636,573	63,084,649	51,924,510
		62,969,043	71,749,061	63,084,649	51,924,510
		82,215,722	96,410,905	63,084,649	51,924,510

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 RM33,528,293 (2025: RM21,038,023) are unsecured, subject to interest rate at 2.83% (2025: 3.03%) per annum and repayable on demand.

17. TRADE AND OTHER PAYABLES (CONT'D)

Note c

The movements of the provisions are as follows:

	Group	
	2026 RM	2025 RM
At 1 April	157,769	205,165
Recognised in profit or loss	-	40,917
Payment during the financial year	(2,790)	(88,313)
At 31 March	154,979	157,769

18. LOANS AND BORROWINGS

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Non-current				
Secured				
Sukuk Murabahah	-	1,852,000	-	1,852,000
Term loans	148,929,359	118,601,922	-	390,367
Islamic cash line facility	34,884,679	19,918,276	34,884,679	19,918,276
	183,814,038	140,372,198	34,884,679	22,160,643
Current				
Secured				
Sukuk Murabahah	1,852,000	1,858,000	1,852,000	1,858,000
Term loans	10,980,910	6,225,594	393,660	1,025,594
Revolving loans	20,000,000	18,000,000	20,000,000	18,000,000
Islamic cash line facility	3,358,000	10,041,000	3,358,000	10,041,000
Banker's acceptance	-	277,000	-	-
Bank overdrafts	42,257,974	15,396,812	15,208,040	6,039,325
	78,448,884	51,798,406	40,811,700	36,963,919
	262,262,922	192,170,604	75,696,379	59,124,562

Securities

The Group's and the Company's secured 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) pledged of Magna Prima Berhad's shares held by a subsidiary (Note 7);

iii) deposits placed with licensed banks (Note 10); and

iv) corporate guarantee by the Company and certain subsidiaries.

18. LOANS AND BORROWINGS (CONT'D)

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

	At 1.4.2024 RM	Drawdown of loans and borrowings RM	Repayment of loans and borrowings RM	Other movements RM	At 31.3.2025/ 1.4.2025 RM	Drawdown of loans and borrowings RM	Repayment of loans and borrowings RM	Other movements RM	At 31.3.2026 RM
Group									
Sukuk Murabahah	8,202,000	-	(4,492,000)	-	3,710,000	-	(1,858,000)	-	1,852,000
Term loans	116,167,934	57,400,000	(48,740,418)	-	124,827,516	97,531,929	(62,815,726)	366,550	159,910,269
Banker's acceptance	501,000	849,000	(1,073,000)	-	277,000	-	(277,000)	-	-
Revolving loans	23,278,451	20,000,000	(25,278,451)	-	18,000,000	6,000,000	(4,000,000)	-	20,000,000
Islamic cash line facility	19,788,751	10,000,000	-	170,525	29,959,276	10,000,000	(1,716,597)	-	38,242,679
Lease liabilities	302,694	-	(302,691)	44,263	44,266	-	(87,190)	456,787	413,863
Total liabilities from financing activities	168,240,830	88,249,000	(79,886,560)	214,788	176,818,058	113,531,929	(70,754,513)	823,337	220,418,811
Company									
Sukuk Murabahah	8,202,000	-	(4,492,000)	-	3,710,000	-	(1,858,000)	-	1,852,000
Term loans	2,369,202	-	(953,241)	-	1,415,961	-	(1,025,301)	3,000	393,660
Revolving loans	23,278,451	20,000,000	(25,278,451)	-	18,000,000	6,000,000	(4,000,000)	-	20,000,000
Islamic cash line facility	19,788,751	10,000,000	-	170,525	29,959,276	10,000,000	(1,716,597)	-	38,242,679
Lease liabilities	147,744	-	(135,488)	-	12,256	-	(4,826)	642	8,072
Amount due to subsidiaries	55,830,292	12,732,305	(18,811,319)	714,811	50,466,089	30,778,000	(20,493,289)	836,888	61,587,688
Total liabilities from financing activities	109,616,440	42,732,305	(49,670,499)	885,336	103,563,582	46,778,000	(29,098,013)	840,530	122,084,099

Other movements include new leases and interest payables.

NOTES TO THE FINANCIAL STATEMENTS

19. LEASE LIABILITIES

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Non-current	256,954	27,583	3,015	7,614
Current	156,909	16,683	5,057	4,642
	413,863	44,266	8,072	12,256

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

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Within 1 year	179,653	18,620	5,215	4,920
Between 1 - 2 years	177,480	13,620	3,042	4,920
Between 2 - 5 years	93,810	15,920	-	2,870
	450,943	48,160	8,257	12,710
Less: Future finance charges	(37,080)	(3,894)	(185)	(454)
Present value of lease liabilities	413,863	44,266	8,072	12,256

The Group and the Company lease a number of premises and office equipment. 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 6.76% (2025: 2.74% to 6.76% per annum).

20. REVENUE

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Revenue from contracts with customers	61,376,869	101,971,443	5,178,600	5,783,400
Other revenue				
- Dividend income	-	-	300,000	3,378,000
- Rental income	2,638,985	2,589,398	-	-
	2,638,985	2,589,398	300,000	3,378,000
	64,015,854	104,560,841	5,478,600	9,161,400

NOTES TO THE FINANCIAL STATEMENTS

20. REVENUE (CONT'D)

20.1 Disaggregation of revenue from contracts with customers

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Major products and services				
Sales of development properties	49,268,387	30,856,375	-	-
Sales of developed properties	4,746,544	67,441,334	-	-
Trading of building materials	5,966,173	2,481,573	-	-
Operating of restaurant, laundry and vending machine	32,290	33,278	-	-
Management fee	1,363,475	1,158,883	5,178,600	5,783,400
	61,376,869	101,971,443	5,178,600	5,783,400
Timing and recognition				
At a point in time	10,745,007	69,956,185	-	-
Over time	50,631,862	32,015,258	5,178,600	5,783,400
	61,376,869	101,971,443	5,178,600	5,783,400

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

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 RM16,113,893 (2025: RM46,260,495) are expected to be recognised as revenue progressively over the financial years 2027 to 2029 (2025: 2026 to 2027).

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	
	2026 RM	**2025 RM**	**2026 RM**	**2025 RM**
Interest income of financial assets calculated using the effective interest method that are at amortised cost:				
- interest income	133,890	157,595	5,394,450	5,564,667
	133,890	157,595	5,394,450	5,564,667
Deposits forfeited	20,300	11,900	-	-
Payables write-back	281,021	-	-	-
Rental income				
- investment properties	26,350	26,100	117,550	117,300
- parking income	528,273	435,695	-	-
- others	1,163,716	1,059,628	-	-
Reversal of provision for damage claims	-	306,536	-	306,536
Sundry income	735,648	641,638	-	5,531
	2,889,198	2,639,092	5,512,000	5,994,034

22. RESULTS FROM OPERATING ACTIVITIES

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

	Group		Company	
	2026 RM	**2025 RM**	**2026 RM**	**2025 RM**
Auditors' remuneration:				
- Audit fees				
- current year	254,000	239,500	87,000	85,000
- under provision in prior years	-	800	-	-
- Non-audit fees	6,000	6,000	6,000	6,000

22. RESULTS FROM OPERATING ACTIVITIES (CONT'D)

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

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Material expense/(income)				
Amortisation of:				
- concession assets	671,943	671,943	-	-
Bad debts written off	26,212	2,934	15,589	-
Depreciation of:				
- investment properties	43,789	42,758	46,057	46,058
- property, plant and equipment	2,361,222	696,282	199,400	298,430
- right-of-use assets	112,436	211,550	47,697	47,658
Deposit written off	4,332	676,800	-	674,300
Impairment loss on intangible assets	-	1,394,405	-	-
Reversal of write-down of inventories	(484,734)	-	-	-
Non-Executive Directors' remuneration	708,649	709,772	687,649	689,648
Payable write-back	(281,021)	-	-	-
Property, plant and equipment written off	9,592	14,464	-	-
Expenses arising from leases:				
Expenses relating to short-term leases (a)	261,354	251,076	-	-
Expenses relating to leases of low-value assets (a)	27,169	20,461	-	-
Net losses/(gains) on impairment of financial instruments				
Financial assets at amortised cost	766,031	352,631	16,990	458,334

(a) The Group leases a number of properties and office equipment with contract terms of not more than one year. These leases are short-term and/or leases of low-value items. The Group 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	
	2026 RM	2025 RM	2026 RM	2025 RM
Interest expense of financial liabilities that are not at fair value through profit of loss:				
- bank overdrafts	1,797,426	1,894,204	665,588	853,420
- banker's acceptance	5,860	13,022	-	-
- bank loans	11,603,032	8,971,350	3,823,293	4,188,202
- lease liabilities	17,254	19,053	340	14,155
- intercompany loan	-	-	836,888	714,811
- other financial liabilities carried at amortised cost	934,420	531,168	-	127,753
	14,357,992	11,428,797	5,326,109	5,898,341
Capitalised on qualifying assets - inventories	(10,117,377)	(6,705,935)	-	-
Recognised in profit or loss	4,240,615	4,722,862	5,326,109	5,898,341

Material accounting policy information

Borrowing costs are capitalised, net of interest received on cash drawn down yet to be expended when they are directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial period of time to get ready for theirs intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred and reported in finance costs.

24. EMPLOYEE BENEFITS EXPENSE AND KEY MANAGEMENT PERSONNEL COMPENSATION

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Salaries and bonus	7,246,962	6,641,203	3,786,420	3,631,350
EIS contributions	9,186	7,249	3,349	2,668
EPF contributions	933,028	865,051	471,526	450,934
Social security contributions	81,234	64,178	29,974	23,906
	8,270,410	7,577,681	4,291,269	4,108,858

Included in employees' benefits expenses of the Group and of the Company is Executive Directors' remuneration, excluding benefits-in-kind, amounting to RM1,215,289 (2025: RM1,275,880).

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

The key management personnel compensations are as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Executive Director				
- Salaries and other emoluments	1,074,240	1,128,000	1,074,240	1,128,000
- EIS contributions	143	127	143	127
- EPF contributions	139,656	146,640	139,656	146,640
- Social security contributions	1,250	1,113	1,250	1,113
Total Executive Director's remuneration (excluding benefit-in-kind)	1,215,289	1,275,880	1,215,289	1,275,880
Estimated money value of benefit-in-kind	1,123	7,200	1,123	7,200
Total Executive Director's remuneration (including benefit-in-kind)	1,216,412	1,283,080	1,216,412	1,283,080
Non-Executive Directors				
- Fees	678,649	679,772	657,649	659,648
- Other emoluments	30,000	30,000	30,000	30,000
Total Non-Executive Directors remuneration (excluding benefits-in-kind)	708,649	709,772	687,649	689,648
Estimated money value of benefits-in-kind	7,200	7,200	7,200	7,200
Total Non-Executive Directors' remuneration (including benefits-in-kind)	715,849	716,972	694,849	696,848
Total key management personnel compensation	1,932,261	2,000,052	1,911,261	1,979,928

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	
	2026	2025
Executive director		
RM1,250,001 - RM1,300,000	1	1
RM1,400,001 - RM1,450,000	-	-
Non-executive directors		
RM50,001 - RM100,000	-	-
RM100,001 - RM150,000	4	4
RM150,001 - RM200,000	1	1

25. TAX EXPENSE

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Recognised in profit or loss				
Income tax expense				
Current tax	4,948,447	7,236,287	600,683	765,301
Prior years	(832,843)	(1,064,771)	(765,301)	(837,658)
Total income tax recognised in profit or loss	4,115,604	6,171,516	(164,618)	(72,357)
Deferred tax expense				
Origination and reversal of temporary differences	(2,352,683)	(1,664,550)	-	443,867
Prior years	(149,915)	(683,351)	-	-
	(2,502,598)	(2,347,901)	-	443,867
	1,613,006	3,823,615	(164,618)	371,510
Reconcilation of tax expense				
Profit before tax	(3,121,632)	10,150,784	(1,933,798)	401,632
Income tax calculated using Malaysian tax rate of 24%	(749,192)	2,436,189	(464,112)	96,392
Non-taxable income	(133,271)	(884,289)	(72,000)	(884,289)
Non-deductible expenses	5,862,579	3,119,987	1,106,889	1,406,378
Deferred tax assets not recognised	248,637	899,850	29,906	590,687
Utilisation of previously unrecognised deferred tax assets	(2,632,989)	-	-	-
Over provision in prior years				
- income tax	(832,843)	(1,064,771)	(765,301)	(837,658)
- deferred tax	(149,915)	(683,351)	-	-
	1,613,006	3,823,615	(164,618)	371,510

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	
	2026 RM	2025 RM	2026 RM	2025 RM
Unutilised business losses	81,134,864	73,686,238	10,233,004	10,233,004
Unabsorbed capital allowance	7,042,273	8,820,311	2,402,374	2,322,312
	88,177,137	82,506,549	12,635,378	12,555,316

Unutilised business losses will expire in the following financial years:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Expiring in 2028	17,268,058	18,003,281	6,148,186	6,148,186
Expiring in 2029	6,776,852	7,264,407	-	-
Expiring in 2030	8,064,749	8,926,692	-	-
Expiring in 2031	11,624,130	11,983,463	-	-
Expiring in 2032	9,030,634	9,148,476	-	-
Expiring in 2033	4,981,059	5,031,116	-	-
Expiring in 2034	7,257,630	7,554,630	3,260,409	3,260,409
Expiring in 2035	5,776,382	5,774,173	824,409	824,409
Expiring in 2036	10,355,370	-	-	-
	81,134,864	73,686,238	10,233,004	10,233,004

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 2026 was based on the loss attributable to owners of the Company and the weighted average number of ordinary shares outstanding, calculated as follows:

	2026	2025
Group		
RM		
(Loss)/Profit for the financial year attributable to owners of the Company	(4,576,813)	6,572,307
Weighted average number of ordinary shares in issue:		
Issued ordinary shares at 1 April/31 March Weighted average number of ordinary shares	440,000,000	440,000,000
Sen		
Basic (loss)/earnings per ordinary shares	(1.04)	1.49

Diluted earnings per ordinary share

The calculation of diluted earnings per ordinary share at 31 March 2026 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:

	2026	2025
Group		
RM		
(Loss)/Profit for the financial year attributable to owners of the Company	(4,576,813)	6,572,307
Weighted average number of ordinary shares used in the calculation of basic of earnings per share	440,000,000	440,000,000
Effect of warrants	76,598,069	68,715,287
Weighted average number of ordinary shares	516,598,069	508,715,287
Sen		
Diluted (loss)/earnings per ordinary shares	(0.89)	1.29

27. DIVIDENDS

The Directors do not recommend any dividend to be paid for the financial year ended 31 March 2026.

28. FINANCIAL GUARANTEE

	2026 RM	2025 RM
Company		
Secured:		
Bank guarantee facilities utilised by subsidiaries	3,756,492	4,458,298
Unsecured:		
Corporate guarantee given to licensed banks for credit facilities granted to subsidiaries	186,566,543	133,046,042

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 2026 and 2025.

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
Group			
2026			
Segment gain	(6,754,704)	1,039,262	(5,715,442)
Included in the measure of segment profit are:			
Revenue from external customers	55,466,198	2,638,985	58,105,183
Depreciation and amortisation	(2,444,126)	(713,713)	(3,157,839)
Reversal of write-down of inventories	484,734	-	484,734
Net gain/(loss) on impairment loss on financial instruments	(792,335)	15,391	(776,944)
Other material non-cash items	262,715	9,677	272,392
Interest expense	(4,574,744)	(28,458)	(4,603,202)
Interest income	288,507	120,730	409,237
Segment assets	898,810,126	10,833,254	909,643,380
Included in the measure of segment assets are:			
Additions to non-current assets other than financial instruments and deferred tax assets	8,383,731	-	8,383,731
Other investment	59,414,556	-	59,414,556
Segment liabilities	(382,660,453)	(1,826,975)	(384,487,428)

NOTES TO THE FINANCIAL STATEMENTS

29. OPERATING SEGMENTS (CONT'D)

	Property development RM	Concession assets RM	Total RM
Group			
2025			
Segment gain	6,367,919	283,041	6,650,960
Included in the measure of segment profit/(loss) are:			
Revenue from external customers	99,999,309	2,589,398	102,588,707
Depreciation and amortisation	(917,788)	(713,713)	(1,631,501)
Impairment loss on intangible assets	-	(1,394,405)	(1,394,405)
Net gain/(loss) on impairment loss on financial instruments	(708,499)	10,793	(697,706)
Other material non-cash items	(382,162)	8,900	(373,262)
Interest expense	(4,933,663)	(30,514)	(4,964,177)
Interest income	335,937	72,777	408,714
Segment assets	844,172,929	9,682,783	853,855,712
Included in the measure of segment assets are:			
Additions to non-current assets other than financial instruments and deferred tax assets	6,919,280	-	6,919,280
Other investment	62,248,414	-	62,248,414
Segment liabilities	(335,232,695)	(1,715,766)	(336,948,461)

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
2026								
Total reportable segment	(5,715,442)	58,105,183	(3,157,839)	(4,603,202)	409,237	272,392	909,643,380	(384,487,428)
Other non-reportable segments	971,320	6,670,502	(72,577)	(158,498)	217,280	(11,207)	12,570,127	(10,377,640)
Elimination of inter-segment transaction	9,484	(759,831)	41,026	521,085	(492,627)	-	(35,913,650)	19,141,848
Consolidated total	(4,734,638)	64,015,854	(3,189,390)	(4,240,615)	133,890	261,185	886,299,857	(375,723,220)
2025								
Total reportable segment	6,650,960	102,588,707	(1,631,501)	(4,964,177)	408,714	(373,262)	853,855,712	(336,948,461)
Other non-reportable segments	(691,913)	3,007,744	(32,057)	(204,665)	164,347	(2,500)	7,721,541	(6,200,374)
Elimination of inter-segment transaction	368,122	(1,035,610)	41,025	445,980	(415,466)	-	(32,364,444)	15,583,159
Consolidated total	6,327,169	104,560,841	(1,622,533)	(4,722,862)	157,595	(375,762)	829,212,809	(327,565,676)

Geographical segments

The Group predominantly operates in Malaysia.

Major customers

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

30. COMMITMENTS

	2026 RM	2025 RM
Group and Company		
Commitments to purchase land held for property development		
- Approved and contracted for	-	14,130,000
Commitments in respect of property, plant and equipment		
- Approved and contracted for	-	2,746,845

31. FINANCIAL INSTRUMENTS

31.1 Categories of financial instruments

The table below provides an analysis of financial instruments as at 31 March 2026, 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
Group			
2026			
Financial assets			
Other investment	-	59,414,556	59,414,556
Trade and other receivables	13,840,102	-	13,840,102
Cash and cash equivalents	14,725,929	-	14,725,929
	28,566,031	59,414,556	87,980,587
Financial liabilities			
Trade and other payables	82,215,722	-	82,215,722
Loans and borrowings	262,262,922	-	262,262,922
	344,478,644	-	344,478,644
2025			
Financial assets			
Other investment	-	62,248,414	62,248,414
Trade and other receivables	27,570,798	-	27,570,798
Cash and cash equivalents	16,462,118	-	16,462,118
	44,032,916	62,248,414	106,281,330
Financial liabilities			
Trade and other payables	96,410,905	-	96,410,905
Loans and borrowings	192,170,604	-	192,170,604
	288,581,509	-	288,581,509

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 2026, by the class of financial instruments to which they are assigned, and therefore by the measurement basis: (cont'd)

	At amortised cost	
	2026 RM	2025 RM
Company		
Financial assets		
Trade and other receivables	190,451,114	168,174,263
Cash and cash equivalents	1,321,678	1,484,479
	191,772,792	169,658,742
Financial liabilities		
Trade and other payables	63,084,649	51,924,510
Loans and borrowings	75,696,379	59,124,562
	138,781,028	111,049,072

31.2 Net gains and losses arising from financial instruments

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Net gains/(losses) on:				
Financial assets measured at amortised cost	(1,597,105)	(1,405,938)	5,361,871	4,304,280
Financial liabilities measured at amortised cost	(3,285,895)	(3,873,258)	(5,326,109)	(5,464,052)
Equity instruments at FVTOCI				
- Recognised in other comprehensive income	13,664,142	4,630,048	-	-
	8,781,142	(649,148)	35,762	(1,159,772)

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

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 has no significant concentration of credit risk as its exposure spread over a large number of customers.

31. FINANCIAL INSTRUMENTS (CONT'D)

31.4 Credit risk (cont'd)

Trade receivables and contract assets (cont'd)

Recognition and measurement of impairment losses

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

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

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

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

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

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)

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets as at 31 March 2026 which are grouped together as they are expected to have similar risk nature.

	Gross carrying amount RM	Loss allowance RM	Net balance RM
Group			
2026			
Not past due	13,362,531	(9)	13,362,522
Past due 1 - 30 days	127,976	(396)	127,580
Past due 31 - 120 days	1,618,145	(547)	1,617,598
Past due 121 - 180 days	913,200	(8,761)	904,439
Past due more than 181 days	2,758,449	(79)	2,758,370
	18,780,301	(9,792)	18,770,509
Individually impaired	613,512	(613,512)	-
	19,393,813	(623,304)	18,770,509
Trade receivables	7,757,862	(623,304)	7,134,558
Contract assets	11,635,951	-	11,635,951
	19,393,813	(623,304)	18,770,509
2025			
Not past due	16,840,702	(20,306)	16,820,396
Past due 1 - 30 days	4,577,506	(23,273)	4,554,233
Past due 31 - 120 days	4,928,817	(82,341)	4,846,476
Past due 121 - 180 days	987,199	(36)	987,163
Past due more than 181 days	403,647	(10,153)	393,494
	27,737,871	(136,109)	27,601,762
Individually impaired	628,904	(628,904)	-
	28,366,775	(765,013)	27,601,762
Trade receivables	18,856,129	(765,013)	18,091,116
Contract assets	9,510,646	-	9,510,646
	28,366,775	(765,013)	27,601,762

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	
	2026 RM	2025 RM
Trade receivables - Credit impaired		
At beginning of financial year	765,013	640,959
Net remeasurement of loss allowance	(141,709)	124,054
At end of financial year	623,304	765,013

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	
	2026 RM	2025 RM	2026 RM	2025 RM
At beginning of financial year	245,865	17,288	101,751	-
Net remeasurement of loss allowances	907,740	228,577	907,740	101,751
At end of financial year	1,153,605	245,865	1,009,491	101,751

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 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 2026.

	Company	
	2026 RM	2025 RM
Amounts due from subsidiaries	195,053,598	171,619,062
Loss allowance - Credit impaired	(4,978,691)	(5,869,441)
	190,074,907	165,749,621

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	
	2026 RM	2025 RM
Amounts due from subsidiaries		
- Credit impaired		
At beginning of financial year	5,869,441	5,512,858
Net remeasurement of loss allowance	(890,750)	356,583
At end of financial year	4,978,691	5,869,441

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 RM186,566,543 (2025: RM133,046,042) 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. FINANCIAL INSTRUMENTS (CONT'D)

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.

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
2026						
Group						
Non-derivative financial liabilities						
Trade and other payables						
- non-interest bearing	82,215,722	-	82,215,722	62,969,043	19,246,679	-
Lease liabilities	413,863	2.74 - 6.76	450,943	179,653	271,290	-
Loans and borrowings	262,262,922	4.72 - 7.01	309,093,082	89,322,359	185,045,184	34,725,539
	344,892,507		391,759,747	152,471,055	204,563,153	34,725,539
Company						
Non-derivative financial liabilities						
Trade and other payables						
- interest bearing	33,528,293	2.83	33,528,293	33,528,293	-	-
- non-interest bearing	29,556,356	-	29,556,356	29,556,356	-	-
Lease liabilities	8,072	2.74	8,257	5,215	3,042	-
Loans and borrowings	75,696,379	4.72 - 7.01	84,792,736	43,661,487	33,918,050	7,213,199
Financial guarantee*	-	-	186,566,543	186,566,543	-	-
	138,789,100		334,452,185	293,317,894	33,921,092	7,213,199

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
2025						
Group						
Non-derivative financial liabilities						
Trade and other payables						
- non-interest bearing	96,410,905	-	96,410,905	71,749,061	24,661,844	-
Lease liabilities	44,266	2.74 - 6.76	48,160	18,620	29,540	-
Loans and borrowings	192,170,604	5.40 - 7.26	218,654,303	61,080,987	151,820,476	5,752,840
	288,625,775		315,113,368	132,848,668	176,511,860	5,752,840
Company						
Non-derivative financial liabilities						
Trade and other payables						
- interest bearing	21,038,023	3.03	21,038,023	21,038,023	-	-
- non-interest bearing	30,886,487	-	30,886,487	30,886,487	-	-
Lease liabilities	12,256	2.74	12,710	4,920	7,790	-
Loans and borrowings	59,124,562	5.40 - 7.26	64,754,422	39,187,126	21,486,704	4,080,592
Financial guarantee*	-	-	133,046,042	133,046,042	-	-
	111,061,328		249,737,684	224,162,598	21,494,494	4,080,592

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

31. FINANCIAL INSTRUMENTS (CONT'D)

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.

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	
	2026 RM	2025 RM	2026 RM	2025 RM
Fixed rate instruments				
Financial assets	2,764,802	1,743,132	273,432	273,432
Lease liabilities	(413,863)	(44,266)	(8,072)	(12,256)
	2,350,939	1,698,866	265,360	261,176
Floating rate instruments				
Financial assets	-	-	189,907,243	165,749,621
Financial liabilities	(262,262,922)	(192,170,604)	(109,224,672)	(80,162,585)
	(262,262,922)	(192,170,604)	80,682,571	85,587,036

NOTES TO THE FINANCIAL STATEMENTS

31. FINANCIAL INSTRUMENTS (CONT'D)

31.6 Market risk (cont'd)

Interest rate risk (cont'd)

Interest rate risk sensitivity analysis

(a) *Fair value sensitivity analysis for fixed rate instruments*

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

(b) *Cash flow sensitivity analysis for variable rate instruments*

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

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Floating rate instruments				
100 bp increase	(1,993,198)	(1,460,497)	612,152	650,461
100 bp decrease	1,993,198	1,460,497	(612,152)	(650,461)

31. FINANCIAL INSTRUMENTS (CONT'D)

31.7 Fair value information

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

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

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Carrying amount RM
Group									
2026									
Financial assets									
Non-current									
Deposits placed with licensed banks	-	-	-	-	-	-	4,423,226	4,423,226	4,423,226
Refundable deposits	-	-	-	-	-	-	2,454,470	2,454,470	2,454,470
Other investment	59,414,556	-	-	59,414,556	-	-	-	-	59,414,556
	59,414,556	-	-	59,414,556	-	-	6,877,696	6,877,696	66,292,252
Financial liabilities									
Non-current									
Trade payables	-	-	-	-	-	-	18,947,983	18,947,983	18,947,983
Refundable deposits	-	-	-	-	-	-	298,696	298,696	298,696
Loans and borrowings	-	-	-	-	-	-	183,814,038	183,814,038	183,814,038
	-	-	-	-	-	-	203,060,717	203,060,717	203,060,717

31. FINANCIAL INSTRUMENTS (CONT'D)

31.7 Fair value information (cont'd)

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Carrying amount RM
Group									
2025									
Financial assets									
Non-current									
Deposits placed with licensed banks	-	-	-	-	-	-	1,931,856	1,931,856	1,931,856
Refundable deposits	-	-	-	-	-	-	2,232,460	2,232,460	2,232,460
Other investment	62,248,414	-	-	62,248,414	-	-	-	-	62,248,414
	62,248,414	-	-	62,248,414	-	-	4,164,316	4,164,316	66,412,730
Financial liabilities									
Non-current									
Trade payables	-	-	-	-	-	-	24,349,165	24,349,165	24,349,165
Refundable deposits	-	-	-	-	-	-	312,679	312,679	312,679
Loans and borrowings	-	-	-	-	-	-	140,372,198	140,372,198	140,372,198
	-	-	-	-	-	-	165,034,042	165,034,042	165,034,042

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				
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Carrying amount RM
Company					
2026					
Financial assets					
Non-current					
Deposits with licensed banks	-	-	373,432	373,432	373,432
Refundable deposits	-	-	30,420	30,420	30,420
	-	-	403,852	403,852	403,852
Financial liabilities					
Non-current					
Loans and borrowings	-	-	34,884,679	34,884,679	34,884,679
2025					
Financial assets					
Non-current					
Deposits with licensed banks	-	-	373,432	373,432	373,432
Refundable deposits	-	-	30,420	30,420	30,420
	-	-	403,852	403,852	403,852
Financial liabilities					
Non-current					
Loans and borrowings	-	-	22,160,643	22,160,643	22,160,643

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 (2025: 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 (2.83%)

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 2026 and 31 March 2025 are as follows:

	Group	
	2026 RM	2025 RM
Loans and borrowings	262,262,922	192,170,604
Lease liabilities	413,863	44,266
Less: Deposits placed with licensed banks	(2,764,802)	(1,743,132)
Less: Cash and bank balances	(11,961,127)	(14,718,986)
Net debts	247,950,856	175,752,752
Total equity	510,576,637	501,647,133
Debt-to-equity ratio	49%	35%

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

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	
	2026 RM	2025 RM	2026 RM	2025 RM
Subsidiaries				
Dividend income	-	-	300,000	3,378,000
Interest receivables	-	-	5,394,448	5,552,157
Interest payables	-	-	836,888	714,811
Management fee received	-	-	5,178,600	5,783,400
Management fee paid	-	-	51,168	-
Rental received	-	-	91,200	91,200

34. SUBSEQUENT EVENTS

On 22 April 2026, the Company repurchased 4,480,540 units of ordinary shares of its issued share capital from the open market. The average price paid for the shares repurchased was RM0.195 per share. The total consideration paid for the repurchase, including transaction costs, was RM876,152. The shares repurchased are being held as treasury shares in accordance with Section 127 of the Companies Act 2016.

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 89 to 162 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 2026 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: 22 July 2026

STATUTORY DECLARATION

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, **Lam Cho Wai**, 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 89 to 162, 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 Lam Cho Wai, NRIC: 781026-14-6433, MIA: CA 37324, at Kuala Lumpur in the Federal Territory on 22 July 2026.

....

Lam Cho Wai

Before me:

....

Commissioner for Oaths

Shahira Azinee Binti Abdul Aziz
No. W1099
E-03A-06 Bangunan Avenue 1
Jalan Tun Razak
50400 Kuala Lumpur

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 2026 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 material accounting policy information, as set out on pages 89 to 162.

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 2026, 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"), as applicable to audits of financial statements of public interest entities 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
Revenue recognition for property development activities The Group recorded revenue from sales of development properties and developed properties amounting to RM49,268,387 and RM4,746,544 respectively. Revenue recognition from sales of development and developed properties is identified as a key audit matter because significant judgements were applied in revenue recognition, amongst others include: • Probability of collection of consideration from purchasers, especially cash and foreign purchasers. • Measurement of progress towards satisfaction of performance obligations using input method, in particular, relating to the estimation of the total costs required to complete the work used in the measurement of progress towards complete satisfaction of performance obligations.	• We reviewed contracts with customers and relevant supporting documents and assessed the appropriateness of revenue recognition under MFRS 15. • We reviewed the Group's assessment relating to the probability of collection of consideration from customers, in particular for customers who are not supported by end-financiers. • We agreed the estimated total costs to complete the works to the feasibility study prepared by the Group and compared the details of the estimated costs against documentary evidence in order to evaluate the reasonableness of the estimated total property development costs. • We corroborated the progress towards satisfaction of performance obligations using input method against the progress of construction works as stipulated in progress reports from contractors and our enquiry of site personnel. Based on the progress of the development, we considered the Group's exposure to liquidated ascertained damages claims from property buyers.
Valuation of developed properties Inventories of the Group comprised unsold developed properties amounting to RM42,586,811 from completed property development projects. Developed properties are measured at lower of cost and net realisable value. The determination of the estimated net realisable value for these developed properties depends on the Group's expectation on future selling prices. Valuation of developed properties is identified as a key audit matter because these developed properties were available for sales since the launch of the property development projects in previous financial years and the challenges faced by the Group in selling these developed properties may indicate that the Group's expectation of future selling prices may not be attainable.	• We checked the valuation of developed properties against selling prices for developed properties sold subsequent to financial year end or selling prices of similar developed properties sold within the same development project to identify indications that net realisable value of developed properties are above their carrying amounts.

Key Audit Matters (cont'd)

Key Audit Matters	How we addressed the key audit matters
Impairment of investments in subsidiaries and amounts due from subsidiaries Investments in subsidiaries with carrying amount of RM335,059,826 is reviewed at the reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the investments in subsidiaries is estimated and impairment losses are recognised if the carrying amount of investments in subsidiaries exceeds their estimated recoverable amount. Amounts due from subsidiaries with carrying amount of RM190,074,907 is reviewed at the reporting date to determine whether it is credit impaired. Expected credit losses on amounts due from subsidiaries are reviewed at the reporting date. Impairment of investments in subsidiaries and amounts due from subsidiaries are identified as a key audit matter because the carrying amounts relating to certain loss making subsidiaries are material and the basis and key assumptions used in determining the amount of impairment is subject to significant estimation uncertainty and changes to these key assumptions are highly sensitive.	• We have checked the impairment indicators reviewed by the Company in respect of investments in subsidiaries, which includes review of the financial performance for the financial year and financial position at the reporting date for respective subsidiaries. • We have evaluated the reasonableness of the impairment loss in respect of investments in subsidiaries and amounts due from subsidiaries recorded by the Company, including the basis and assumption used to forecast future cash flows from subsidiaries in estimating the expected credit losses for the amounts due from subsidiaries and the calculation of recoverable amount for the investments in subsidiaries.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

INDEPENDENT AUDITORS' REPORT

To the Members of Hua Yang Berhad

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.

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.

INDEPENDENT AUDITORS' REPORT

To the Members of Hua Yang Berhad

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

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

- 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.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purpose 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.

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
03360/03/2028 J
Chartered Accountant

KUALA LUMPUR
22 JULY 2026

LIST OF GROUP'S PROPERTIES

As at 31 March 2026

Description and Existing Use	Location	Tenure	Floor Area (Sq. Ft.)	Age of Building (Years)	Net Book Value (RM' 000)	Year of Acquisition	Registered/ Beneficial Owner
4 ½ Storey Shop Office for office use	123, Jalan Raja Permaisuri Bainun, (Jalan Kampar), 30250 Ipoh, Perak Darul Ridzuan	Freehold	8,027	45	292	1993	Yoon Lian Realty Sendirian Berhad/ Hua Yang Berhad
1 unit of 3-Storey Shop Office and 1 unit of 8-Storey Shop Office for office use	C-21 & C-22, Jalan Medan Selayang 1, Medan Selayang, 68100 Batu Caves, Selangor Darul Ehsan	Leasehold 99 years, expiring on 10 April 2101	20,516	21	1,967	2005	Hua Yang Berhad
Car park bays, Medan Selayang	Jalan Medan Selayang 1, Medan Selayang, 68100 Batu Caves, Selangor Darul Ehsan	Leasehold 99 years, expiring on 10 April 2101	138,166	21	1,295	2005	Hua Yang Berhad
2 units 2-Storey Shop Office for office use	53 & 55, Jalan Besi, Taman Sri Putri, 81300 Skudai, Johor Darul Takzim	Freehold	6,544	15	600	2011	Grandeur Park Sdn Bhd
2 units Shop Office for office use	B-20-G & B-20-1, Jalan Medan Selayang 1, Medan Selayang, 68100 Batu Caves, Selangor Darul Ehsan	Leasehold 99 years, expiring on 10 April 2101	3,466	21	618	2015	Hua Yang Berhad
2 units Shoplot for office use	G-10 & G-11, Pangsapuri Servis Meritus, Jalan Laguna 1, 13700 Perai, Pulau Pinang	Freehold	1,992	6	865	2025	G Land Development Sdn Bhd

LIST OF GROUP'S PROPERTIES

As at 31 March 2026

Description and Existing Use	Location	Tenure	Land Area (Acres)	Remaining Land for Development (Acres)	Net Book Value (RM' 000)	Year of Acquisition	Year of Commencement of Development	Registered/ Beneficial Owner
Development land approved for mixed development	Geran 231624 Lot 5024 Mukim Senai, Daerah Kulaijaya and Geran 95306 Lot 2742 Mukim Pulai, Daerah Johor Bahru, Johor Darul Takzim	Freehold	134.47	17.46	16,074	2009	2011	Grandeur Park Sdn Bhd
Development land approved for mixed development	H.S.(D) 45670 PTB 10964, H.S.(D) 79521 PTB 10965, H.S.(D) 496784 PTB 13738, H.S.(D) 124896 PTB 13739, H.S.(D) 116405 PTB 13721, H.S.(D) 116406 PTB 13722, Geran 24543 Lot 9917 Bandar and Daerah of Johor Bahru	Freehold	1.08	1.08	5,868	2012	N/A	Grandeur Park Sdn Bhd
Development land approved for mixed development	Lot 6022-6029, H.S.(D) 279-286, Mukim Plentong, Daerah Johor Bahru, Johor	Freehold	73.16	49.01	64,092	2016	2017	Grand View Realty Sdn Bhd
Development land approved for mixed development	H.S.(D) 325003 PT 83581, H.S.(D) 325004 PT 83582, H.S.(D) 321353 PT 83317, H.S.(D) 321354 PT 83318, H.S.(D) 321355 PT 83319, PN 95921 Lot 110502, PN 95922 Lot 110503 and PN 95923 Lot 110506 Mukim Petaling, Dearah Petaling, Selangor Darul Ehsan	Leasehold (Expiring Dec 2110)	55	42.33	270,790	2013	2025	Bison Holdings Sdn Bhd
Development land approved for mixed development	H.S.(D) 190579 PT 88782, H.S.(D) 190580 PT 88783 and Geran 341987 Lot 53434, Mukim Pekan Kampung Sungai Tangkas and H.S.(D) 131583 PT 68248 and H.S.(D) 131584 PT 68249, Mukim Kajang, Daerah Ulu Langat, Selangor Darul Ehsan	Freehold	19.76	19.76	78,813	2018	N/A	Kajang Heights Development Sdn Bhd
Development land approved for mixed development	Lot 12670 (PT 1347) Mukim Bota, Daerah Tengah, Perak Darul Ridzuan	Leasehold (Expiring April 2103)	739	198.08	31,443	1991	2001	Agro-Mod Industries Sdn Bhd

LIST OF GROUP'S PROPERTIES

As at 31 March 2026

Description and Existing Use	Location	Tenure	Land Area (Acres)	Remaining Land for Development (Acres)	Net Book Value (RM' 000)	Year of Acquisition	Year of Commencement of Development	Registered/ Beneficial Owner
Development land approved for commercial development	Lot 11329 (PT 2062-PT 2409, PT 2699-PT 2713 & PT 2715) Mukim Bota, Daerah Tengah, Perak Darul Ridzuan	Leasehold (Expiring 7 April 2102)	38	2	716	1996	2001	Agro-Mod Industries Sdn Bhd
Development land approved for commercial development	54 lots of commercial title, Lot 105147 – 105200 and 52 lots of commercial title, Lot 105837 – 105888 Mukim Hulu Kinta, Daerah Kinta, Perak Darul Ridzuan	Leasehold (Expiring 23 December 2080)	4	4	12,956	2013 and 2017	N/A	Agro-Mod Industries Sdn Bhd
Development land approved for commercial development	H.S.(D) 936563 PT 286899 Mukim Hulu Kinta, Daerah Kinta, Perak Darul Ridzuan	Freehold	5.95	5.95	37,672	2015	2026	Agro-Mod Industries Sdn Bhd
Development land approved for residential development	Lot 320213 & 320214 (Geran 72080 & 72079), Mukim Hulu Kinta, Daerah Kinta, Perak Darul Ridzuan	Freehold	2.29	2.29	738	1994	2012	Yoon Lian Realty Sendirian Berhad
Development land approved for mixed development	H.S.(D) 204382 PT 245009 Mukim Hulu Kinta, Daerah Kinta, Perak Darul Ridzuan	Freehold	3.8	3.8	21,374	2017	N/A	Yoon Lian Realty Sendirian Berhad
Development land approved for mixed development	Lot 20328 & 20329, Mukim 13, Daerah Seberang Perai Tengah, Pulau Pinang	Freehold	9.50	9.50	30,024	2016	N/A	Tinggian Development Sendirian Berhad
Development land approved for mixed development	GM 2638, Lot 10416, Mukim 6, Daerah Seberang Perai Tengah, Pulau Pinang	Freehold	6.78	2.38	13,243	2016	2016	G Land Development Sdn Bhd

ANALYSIS OF SHAREHOLDINGS

As at 30 June 2026

SHARE CAPITAL

Issued and fully paid-up capital	: 440,000,000
No. of treasury shares held	: 4,480,540
No. of voting shares	: 435,519,460
Class of shares	: Ordinary Shares
Voting rights	: One vote per Ordinary Share

ORDINARY SHARE DISTRIBUTION SCHEDULE AS AT 30 JUNE 2026

Size of Holdings	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Issued Capital
1 - 99	1,175	20.27	53,178	0.01
100 - 1,000	454	7.83	194,486	0.04
1,001 - 10,000	2,165	37.35	10,641,651	2.42
10,001 - 100,000	1,655	28.56	55,718,074	12.66
100,001 - 21,999,999*	344	5.95	234,600,559	53.32
22,000,000 and above**	2	0.04	134,311,512	30.53
Treasury shares	N/A	N/A	4,480,540	1.02
Total	**5,795**	**100.00**	**440,000,000**	**100.00**

Remark:

* Less than 5% of issued shares

** 5% and above of issued shares

DIRECTORS' SHAREHOLDINGS AS AT 30 JUNE 2026

No.	Name of Directors	Direct Interest	%	Deemed Interest	%
1.	Tan Sri Dato' Seri Dr. Ting Chew Peh	-	-	1,216,818[2]	0.28
2.	Ho Wen Yan	2,255,550	0.52	150,978,178[1]	34.67
3.	Choo Seng Choon	-	-	-	-
4.	Chew Hoe Soon	551,942	0.13	1,031,399[2]	0.24
5.	Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud	-	-	-	-
6.	Ho Wen Fan	-	-	150,978,178[1]	34.67

Notes:

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

(2) Deemed interest by virtue of the shareholdings of his spouse and children.

ANALYSIS OF SHAREHOLDINGS

As at 30 June 2026

SUBSTANTIAL SHAREHOLDERS AS AT 30 JUNE 2026

No.	Name of Directors	Direct Interest	%	Deemed Interest	%
1.	Heng Holdings Sdn Berhad	150,978,178	34.67	-	-
2.	Chew Po Sim	-	-	150,978,178[(1)]	34.67
3.	Ho Min Yi	-	-	150,978,178[(1)]	34.67
4.	Ho Wen Yan	2,255,550	0.52	150,978,178[(1)]	34.67
5.	Ho Wen Han	-	-	150,978,178[(1)]	34.67
6.	Ho Wen Fan	-	-	150,978,178[(1)]	34.67

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

LIST OF 30 LARGEST SHAREHOLDERS AS AT 30 JUNE 2026 (excluding treasury shares)

No.	Name of Shareholders	No. of Shares	%
1.	Heng Holdings Sdn. Berhad	109,519,846	25.15
2.	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB for Heng Holdings Sdn Berhad (PB)	24,791,666	5.69
3.	HSBC Nominees (Tempatan) Sdn Bhd HBAP for Heng Holdings Sdn. Bhd. (PB-SGDIV)	16,666,666	3.83
4.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Fong Siling (CEB)	16,000,000	3.67
5.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (PHEIM)	12,012,200	2.76
6.	UOB Kay Hian Nominees (Asing) Sdn Bhd Exempt an for UOB Kay Hian Pte Ltd (A/C Clients)	9,871,734	2.27
7.	Ho Khon Yok	8,551,333	1.96
8.	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Kian Aik	7,814,000	1.79
9.	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ong Siew Eng @ Ong Chai (3000190)	5,972,700	1.37
10.	Goh Tze Ning	4,815,520	1.11
11.	Loh Kok Wai	4,292,966	0.99
12.	Lim Khuan Eng	3,970,000	0.91
13.	Sa Chee Peng	3,724,300	0.86
14.	Maybank Nominees (Tempatan) Sdn Bhd Maybank Trustees Berhad for Dana Makmur PHEIM (211901)	3,474,700	0.80
15.	Ho Mook Leong	3,330,206	0.77
16.	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Yeo Ann Seck	3,300,000	0.76
17.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tay Lek Heng (E-JAH)	3,175,290	0.73

ANALYSIS OF SHAREHOLDINGS

As at 30 June 2026

No.	Name of Shareholders	No. of Shares	%
18.	Maybank Securities Nominees (Asing) Sdn Bhd Pledged Securities Account For Chew Hoe Peng	3,030,000	0.70
19.	Erica Madeleine Ee Mein Martin	2,388,805	0.55
20.	Apex Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lee Chee Keong	2,312,500	0.53
21.	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ho Wen Yan	2,255,550	0.52
22.	Ten Kin Kok	2,053,200	0.47
23.	Lee Ah Har @ Lee Kong Yip	2,001,253	0.46
24.	Loo Hooi Eng	1,968,554	0.45
25.	Lim Ting Song	1,900,000	0.44
26.	CGS International Nominees Malaysia (Asing) Sdn Bhd Exempt An For CGS International Securities Singapore Pte Ltd (Retail Clients)	1,883,233	0.43
27.	Ho Chon Yin	1,799,665	0.41
28.	Lee Tock Loe	1,736,700	0.40
29.	Lim Yun Hsuen	1,700,000	0.39
30.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Wong Chee Boon (E-Imo)	1,700,000	0.39

ANALYSIS OF WARRANT HOLDINGS

As at 30 June 2026

SHARE CAPITAL

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

WARRANT DISTRIBUTION SCHEDULE AS AT 30 JUNE 2026

Size of Holdings	No. of Holders	% of Holders	No. of Warrants Held	% of Warrants Issued
1 - 99	44	9.57	2,210	0.01
100 - 1,000	53	11.52	33,176	0.04
1,001 - 10,000	163	35.43	714,839	0.81
10,001 - 100,000	130	28.26	5,041,869	5.73
100,001 - 4,399,999*	66	14.35	37,271,955	42.35
4,400,000 and above**	4	0.87	44,935,951	51.06
Total	**460**	**100.00**	**88,000,000**	**100.00**

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

DIRECTORS' WARRANT HOLDINGS AS AT 30 JUNE 2026

No.	Name of Directors	Direct Interest	%	Deemed Interest	%
1.	Tan Sri Dato' Seri Dr. Ting Chew Peh	-	-	233,319[2]	0.27
2.	Ho Wen Yan	451,110	0.51	38,888,884[1]	44.19
3.	Choo Seng Choon	-	-	-	-
4.	Chew Hoe Soon	98,388	0.11	202,479[2]	0.23
5.	Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud	-	-	-	-
6.	Ho Wen Fan	-	-	38,888,884[1]	44.19

Notes:
[1] Deemed interest by virtue of her/his substantial shareholdings in Heng Holdings Sdn Berhad.
[2] Deemed interest by virtue of the shareholdings of his spouse and children.

ANALYSIS OF WARRANT HOLDINGS

As at 30 June 2026

SUBSTANTIAL WARRANT HOLDERS AS AT 30 JUNE 2026

No.	Name	Direct Interest	%	Deemed Interest	%
1.	Heng Holdings Sdn Berhad	38,888,884	44.19	-	-
2.	Chew Po Sim	-	-	38,888,884[1]	44.19
3.	Ho Min Yi	-	-	38,888,884[1]	44.19
4.	Ho Wen Yan	451,110	0.51	38,888,884[1]	44.19
5.	Ho Wen Han	-	-	38,888,884[1]	44.19
6.	Ho Wen Fan	-	-	38,888,884[1]	44.19
7.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Fong Siling (CEB)	4,750,400	5.40	-	-
8.	Wong Mei San	4,630,000	5.26	-	-

Notes:

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

LIST OF 30 LARGEST WARRANT HOLDERS AS AT 30 JUNE 2026

No.	Name of Shareholders	No. of Warrants	%
1.	Heng Holdings Sdn. Berhad	30,597,218	34.77
2.	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB for Heng Holdings Sdn Berhad (PB)	4,958,333	5.63
3.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Fong Siling (CEB)	4,750,400	5.40
4.	Wong Mei San	4,630,000	5.26
5.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lee Chong Han	3,384,500	3.85
6.	HSBC Nominees (Tempatan) Sdn Bhd HBAP for Heng Holdings Sdn. Bhd. (PB-SGDIV)	3,333,333	3.79
7.	Chang Kian Lee	2,849,000	3.24
8.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Siau Boon Fei (E-TSA)	2,690,800	3.06
9.	Tan Kheak Geai	2,500,000	2.84
10.	CGS International Nominees Malaysia (Tempatan) Sdn Bhd Pledged Securities Account for Siau Boon Fei (MY3582)	1,877,300	2.13
11.	Chan Chok Kin	1,658,900	1.89
12.	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ong Siew Eng @ Ong Chai (M04)	1,562,900	1.78
13.	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ong Siew Eng @ Ong Chai (3000190)	1,491,400	1.70
14.	Chew Cheong Kin	1,080,000	1.23
15.	UOB Kay Hian Nominees (Asing) Sdn Bhd Exempt an for UOB Kay Hian Pte Ltd (A/C Clients)	873,500	0.99

ANALYSIS OF WARRANT HOLDINGS

As at 30 June 2026

No.	Name of Shareholders	No. of Warrants	%
16.	Tang Chi Cheong	861,600	0.98
17.	Yap Moi Eng	828,200	0.94
18.	Neoh Yen Lin	596,900	0.68
19.	Thang Choy Leen	530,000	0.60
20.	Chow Yong Xian	517,400	0.59
21.	Beh Guan Siah	490,000	0.56
22.	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ho Wen Yan	451,110	0.51
23.	Beh Hui Xue	450,000	0.51
24.	Lee Kek Fook	443,000	0.50
25.	Chow Tak @ Chow Tat Sang	399,000	0.45
26.	Abd. Rauf Bin Abd Rahman	328,600	0.37
27.	Neo Say Yeow	317,667	0.36
28.	Lee Tock Loe	307,500	0.35
29.	Tan Choon Kiak	300,000	0.34
30.	Hong Soo Cheeng	290,600	0.33

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Forty-Seventh (47th) Annual General Meeting of Hua Yang Berhad will be held at the Head Office of the Company at 4th Floor, C-21 Jalan Medan Selayang 1, Medan Selayang, 68100 Batu Caves, Selangor on Wednesday, 2 September 2026 at 10.30 a.m. for the following purposes:

AGENDA

As Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 March 2026 together with the Reports of the Directors and Auditors thereon.

2. To approve the payment of Directors' fees of RM657,649 and benefits for the financial year ended 31 March 2026. (Resolution 1)

3. To approve the payment of meeting attendance allowance of RM1,000 per meeting day for each Non-Executive Director from August 2026 till July 2027. (Resolution 2)

4. To re-elect the following Directors retiring pursuant to the Company's Constitution:-
   4.1 Chew Hoe Soon (Article 97(1)) (Resolution 3)
   4.2 Ho Wen Yan (Article 97(1)) (Resolution 4)
   4.3 Ho Wen Fan (Article 104) (Resolution 5)

5. To re-appoint TGS TW PLT as Auditors of the Company for the ensuing year and to authorise the Board of Directors to fix their remuneration. (Resolution 6)

As Special Business

To consider and, if thought fit, pass the following ordinary resolutions:

6. **Continuation in office as Independent Non-Executive Director** (Resolution 7)

   "THAT approval be and is hereby given to Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud who has served as an Independent Non-Executive Director of the Company and is approaching a cumulative term of nine (9) years, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting."

7. **Authority to allot and issue shares pursuant to Sections 75 & 76 of the Companies Act 2016** (Resolution 8)

   "**THAT**, pursuant to Sections 75 & 76 of the Companies Act 2016 and subject always to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company ("New Shares") for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."

NOTICE OF ANNUAL GENERAL MEETING

8. **Proposed renewal of authority for the Company to purchase its own shares of up to 10% of the issued and paid-up share capital ("Proposed Share Buy-Back")** (Resolution 9)

"**THAT** subject to the provisions under the Companies Act 2016 ("Act"), the Constitution of the Company, the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and all prevailing laws, rules, regulations, orders and guidelines as well as the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised to purchase such amount of ordinary shares in the Company ("Hua Yang Shares") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of Hua Yang Shares purchased pursuant to this resolution or held as treasury shares does not exceed ten percent (10%) of the total number of issued shares of the Company at the time of purchase;

THAT the maximum amount of funds to be utilised for the purpose of the Proposed Share Buy-Back shall not exceed the Company's retained profits account;

THAT authority be and is hereby given to the Directors of the Company to decide at their discretion, as may be permitted and prescribed by the Act and/or any prevailing laws, rules, regulations, orders and guideline and requirements issued by any relevant authorities for the time being in force to deal with any Hua Yang Shares so prescribed by the Company in the following manner:-

(i) to cancel the Hua Yang Shares so purchased;
(ii) to retain the Hua Yang Shares so purchased as treasury shares for distribution as share dividends to the shareholders of the Company and/or be resold through Bursa Securities in accordance with the relevant rules of Bursa Securities and/or be cancelled subsequently;
(iii) to transfer as share award or share consideration; or
(iv) combination of (i), (ii) and (iii) above;

THAT the authority conferred by this resolution will be effective immediately from the passing of this Ordinary Resolution until:-

(i) the conclusion of the Company's next Annual General Meeting following the general meeting at which such resolution was passed at which time the authority would lapse unless renewed by ordinary resolution;
(ii) the passing of the date on which the Company's next Annual General Meeting is required by law to be held; or
(iii) the authority is revoked or varied by ordinary resolution that the shareholders pass in general meeting;

whichever occurs first.

AND THAT the Directors be and are hereby authorised to take all steps as are necessary and/or to do all such acts and things as the Directors deem fit and expedient in the interest of the Company to give full effect to the aforesaid Proposed Share Buy-Back with full powers to assent to any condition, modification, variation and/or amendment (if any) as may be imposed by the relevant authorities."

9. To transact any other ordinary business of which due notice shall have been given.

BY ORDER OF THE BOARD
LEONG OI WAH (MAICSA 7023802) (SSM Practising Certificate No.: 201908000717)
LAM CHO WAI (MIA 37324) (SSM Practising Certificate No.: 202008001864)
HU YEE YEN (MAICSA 7073627) (SSM Practising Certificate No.: 202508000669)

Company Secretaries

Selangor Darul Ehsan
31 July 2026

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Only members whose name appear in the Record of Depositors as at 26 August 2026 will be entitled to attend the Annual General Meeting or appoint proxy/proxies in his/her stead or in the case of a corporation, a duly authorised representative to attend and vote on his/her stead.

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

3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

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

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

6. No door gifts, vouchers or e-vouchers will be provided to shareholders or proxies attending the AGM.

7. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the 47th Annual General Meeting will be put to vote by poll. Poll administrators and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.

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

9. On agenda 4, for the purpose of determining the eligibility of the Directors to stand for re-election at the 47th Annual General Meeting, the Board through its Nomination Committee had assessed Chew Hoe Soon, Ho Wen Yan and Ho Wen Fan (collectively "the Retiring Directors"). The Retiring Directors were assessed on their performance and understanding of the Group's business. Their active participation at the Board meetings showed that they were prepared and were effective in the discharge of their responsibilities. The Retiring Directors have always acted in the best interest of the Company as a whole.

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

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Note on Special Business:

Resolution 7

Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud has served as Independent Non-Executive Director and will be reaching her cumulative 9 years tenure on 22 May 2027. The Board intends to retain her as independent director and the Company is proposing the resolution for her retention for another term.

The Board had assessed the independence of Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud at its meetings held on 21 May 2026 and has recommended that she be retained as Independent Non-Executive Director of the Company based on the following justifications:-

a) She has consistently adhered to the independence guidelines outlined in Chapter 1 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;
b) Her presence on the Board serves as a crucial check and balance, introducing an element of objectivity to the decision-making process;
c) She remains steadfastly independent in her thinking, effectively acting as a constructive challenger to the Chief Executive Officer; and
d) Her active participation in board discussions and provision of an independent voice contribute significantly to the Board's deliberations, ensuring the infusion of unbiased and objective judgments.

Resolution 8

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

The Company did not utilise the mandate sought for issue of new shares that was approved by the shareholders on 27 August 2025 which will lapse at the conclusion of the forthcoming Annual General Meeting.

In accordance with Article 15 of the Company's Constitution, the passing of the Ordinary Resolution No. 8 shall be taken as the members agreement for the New Shares to be issued to such persons as the Director may deem fit without first offer to holders of existing shares.

Resolution 9

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

Personal Data Privacy:

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

SHARE BUY-BACK STATEMENT

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

DISCLAIMER STATEMENT

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

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

1. DETAILS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK

The Board of Hua Yang had, during the Annual General Meeting held on 27 August 2025 obtained its shareholders' approval on the Proposed Share Buy-Back exercise, to purchase up to ten percent (10%) of its total number of issued shares as quoted on Bursa Securities as at the point of purchase. In accordance with the Listing Requirements governing the purchase of own shares by a listed company, the aforesaid approval will lapse at the conclusion of the forthcoming Annual General Meeting unless a new mandate is obtained from the shareholders.

In connection thereto, the Company had on 22 July 2026 announced its intention to seek approval of its shareholders on the Proposed Renewal of Share Buy-Back at the forthcoming Annual General Meeting of the Company which will be held on 2 September 2026.

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

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

(i) the conclusion of the next Annual General Meeting of the Company in 2027 at which time such authority would lapse unless renewed by ordinary resolution passed at that meeting, either unconditionally or subject to conditions; or

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

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

whichever occurs first.

SHARE BUY-BACK STATEMENT

2. MAXIMUM LIMIT

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

As at 30 June 2026, being latest practicable date ("LPD"), the maximum number of Hua Yang Shares that may be purchased and/or held by the Company is as follows:

	No. of Shares
Total number of issued shares of Hua Yang	440,000,000
10% of the total number of issued shares	44,000,000
Less: Treasury shares held by Hua Yang	4,480,540
Maximum number of shares which may be purchased in respect of the Proposed Share Buy-Back	39,519,460

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

3. TREATMENT OF SHARES PURCHASED

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

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

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

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

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

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

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

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

SHARE BUY-BACK STATEMENT

3. TREATMENT OF SHARES PURCHASED (CONT'D)

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

(i) to cancel the purchased shares;

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

(iii) transfer as purchase consideration;

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

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

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

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

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

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

During the financial year ended 31 March 2026, there was no resale or cancellation of treasury shares.

4. RATIONALE FOR THE PROPOSED RENEWAL OF SHARE BUY-BACK

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

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

SHARE BUY-BACK STATEMENT

5. ADVANTAGES AND DISADVANTAGES

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

(i) allows the Company to take preventive measures against excessive speculation, in particular when the Company's shares are undervalued;
(ii) the earnings per share of the Hua Yang Shares and the return on equity, assuming all other things being equal, would be enhanced resulting from the smaller issued and paid-up share capital of the Company. This is expected to have a positive impact on the market price of Hua Yang Shares which will benefit the shareholders of Hua Yang;
(iii) to stabilise a downward trend of the market price of the Company's shares;
(iv) allows the Company the flexibility in achieving the desired capital structure, in terms of its debt and equity composition and the size of its equity;
(v) treasury shares can be treated as long-term investments. It makes business sense to invest in our own Company as the Board is confident of Hua Yang's future prospects and performance in the long term; and
(vi) if the treasury shares are distributed as dividends by the Company, it may then serve to reward the shareholders of the Company.

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

(i) it will reduce the financial resources of the Company which may otherwise be retained and used for the businesses of the Group. Nevertheless, the Board will be mindful of the interests of the Group and its shareholders in undertaking the Proposed Renewal of Share Buy-Back; and
(ii) as the Proposed Renewal of Share Buy-Back can only be made out of retained earnings, it may result in the reduction of financial resources available for distribution as dividends and bonus issues to the shareholders of the Company.

6. FUNDING

In accordance with the Listing Requirements, the Proposed Renewal of Share Buy-Back must be made wholly out of retained profits of the Company. The maximum amount of funds to be utilised for the Proposed Renewal of Share Buy-Back will be limited to the amount of retained profits based on the latest audited and/or unaudited financial statements of the Company. As at 31 March 2026, being the latest available audited financial statements, the audited retained profit of the Company amounted to RM30,582,244.

The Proposed Renewal of Share Buy-Back is expected to be financed by internally generated funds of the Group or external borrowings. In the event that the Company intends to purchase its own shares using borrowings, the Board will ensure that the Company shall have sufficient funds to repay the borrowings and that the repayment will not adversely affect the operations and cash flows of the Company. In addition, the Board will ensure that the Company satisfy the solvency test as stated in the Section 112(2) of the Companies Act 2016 before execution of the Proposed Renewal of Share-Buy Back. Depending on the quantum and the purchase price, the Proposed Renewal of Share Buy-Back may reduce the working capital of the Hua Yang Group.

7. FINANCIAL EFFECTS OF THE PROPOSED SHARE BUY-BACK

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

7.1 Share Capital

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

Minimum Scenario:	Assuming none of the 88,000,000 Outstanding Warrants-A as at LPD are exercised into new Hua Yang Shares before the implementation of the Proposed Renewal of Share Buy-Back.
Maximum Scenario:	Assuming that all of the 88,000,000 Outstanding Warrants-A as at LPD are exercised into new Hua Yang Shares before the implementation of the Proposed Renewal of Share Buy-Back.

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

Notes:-
* Including the treasury shares of 4,480,540 Hua Yang Shares held as at LPD.

7.2 Substantial Shareholders' and Directors' Shareholdings

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

7.2.1 Minimum Scenario

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

SHARE BUY-BACK STATEMENT

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

7.2 Substantial Shareholders' and Directors' Shareholdings (Cont'd)

7.2.1 Minimum Scenario (Cont'd)

	As at LPD				After the full implementation of Proposed Renewal of Share Buy-Back			
	Direct		Indirect		Direct		Indirect	
Substantial shareholders	No. of shares	%#	No. of shares*	%*#	No. of shares	%	No. of shares*	%*
Heng Holdings Sdn Berhad	150,978,178	34.67	-	-	150,978,178	38.13	-	-
Chew Po Sim	-	-	150,978,178	34.67	-	-	150,978,178	38.13
Ho Min Yi	-	-	150,978,178	34.67	-	-	150,978,178	38.13
Ho Wen Yan	2,255,550	0.52	150,978,178	34.67	2,255,550	0.57	150,978,178	38.13
Ho Wen Han	-	-	150,978,178	34.67	-	-	150,978,178	38.13
Ho Wen Fan	-	-	150,978,178	34.67	-	-	150,978,178	38.13
Voting issued share capital	435,519,460				396,000,000			

Notes:-

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

\# After netting off the treasury shares of 4,480,540 Hua Yang Shares held as at LPD

7.2.2 Maximum Scenario

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

	As at LPD				After full exercise of all outstanding Warrants-A and the full implementation of Proposed Renewal of Share Buy-Back			
	Direct		Indirect		Direct		Indirect	
Substantial shareholders	No. of shares	%#	No. of shares*	%*#	No. of shares	%	No. of shares*	%*
Heng Holdings Sdn Berhad	150,978,178	34.67	-	-	189,867,062	39.96	-	-
Chew Po Sim	-	-	150,978,178	34.67	-	-	189,867,062	39.96
Ho Min Yi	-	-	150,978,178	34.67	-	-	189,867,062	39.96
Ho Wen Yan	2,255,550	0.52	150,978,178	34.67	2,706,660	0.57	189,867,062	39.96
Ho Wen Han	-	-	150,978,178	34.67	-	-	189,867,062	39.96
Ho Wen Fan	-	-	150,978,178	34.67	-	-	189,867,062	39.96
Voting issued share capital	435,519,460				475,200,000			

Notes:-

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

\# After netting off the treasury shares of 4,480,540 Hua Yang Shares held as at LPD

SHARE BUY-BACK STATEMENT

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

7.2 Substantial Shareholders' and Directors' Shareholdings (Cont'd)

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

7.2.3 Minimum Scenario

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

	As at LPD				After the Proposed Renewal of Share Buy-Back			
	Direct		Indirect		Direct		Indirect	
Directors	No. of shares	%#	No. of shares	%#	No. of shares	%	No. of shares	%
Tan Sri Dato' Seri Dr. Ting Chew Peh	-	-	1,216,818(2)	0.28	-	-	1,216,828(2)	0.31
Ho Wen Yan	2,255,550	0.52	150,978,178(1)	34.67	2,255,550	0.57	150,978,178(1)	38.13
Choo Seng Choon	-	-	-	-	-	-	-	-
Chew Hoe Soon	551,942	0.13	1,031,399(2)	0.24	551,942	0.14	1,031,399(2)	0.26
Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud	-	-	-	-	-	-	-	-
Ho Wen Fan	-	-	150,978,178(1)	34.67	-	-	150,978,178(1)	38.13
Voting issued share capital	435,519,460				396,000,000			

Notes:-
(1) Deem interested by virtue of his substantial shareholding in Heng Holdings Sdn Berhad
(2) Deem interested by virtue of the shareholdings of his spouse and children.
After netting off the treasury shares of 4,480,540 Hua Yang Shares held as at LPD

7.2.4 Maximum Scenario

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

	As at LPD				After the Proposed Renewal of Share Buy-Back			
	Direct		Indirect		Direct		Indirect	
Directors*	No. of shares	%#	No. of shares	%#	No. of shares	%	No. of shares	%
Tan Sri Dato' Seri Dr. Ting Chew Peh	-	-	1,216,818(2)	0.28	-	-	1,450,137(2)	0.31
Ho Wen Yan	2,255,550	0.52	150,978,178(1)	34.67	2,706,660	0.57	189,867,062(1)	39.96
Choo Seng Choon	-	-	-	-	-	-	-	-
Chew Hoe Soon	551,942	0.13	1,031,399(2)	0.24	650,330	0.14	1,233,878(2)	0.26
Y.A.M. Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud	-	-	-	-	-	-	-	-
Ho Wen Fan	-	-	150,978,178(1)	34.67	-	-	189,867,062(1)	39.96
Voting issued share capital	435,519,460				475,200,000			

Notes:-
(1) Deem interested by virtue of his substantial shareholding in Heng Holdings Sdn Berhad
(2) Deem interested by virtue of the shareholdings of his spouse and children.
After netting off the treasury shares of 4,480,540 Hua Yang Shares held as at LPD

SHARE BUY-BACK STATEMENT

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

7.3 Net Assets

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

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

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

7.4 Earnings

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

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

7.5 Working Capital

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

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

8. APPROVAL REQUIRED

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

9. PUBLIC SHAREHOLDING SPREAD

Pursuant to the Listing Requirements, the Proposed Renewal of Share Buy-Back will be carried out in accordance with the prevailing laws at the time of the purchase including compliance of twenty-five (25%) public shareholdings spread. As at LPD, the public shareholding spread of the Company was 63.32%. The Board will endeavour to ensure that the Company complies with the public shareholding spread requirements and shall not buy back the Company's own shares if the purchase would result in the public shareholding spread requirements not being met.

SHARE BUY-BACK STATEMENT

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

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

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

11. HISTORICAL SHARE PRICE

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

Month	Highest (RM)	Lowest (RM)
2025		
July	0.250	0.205
August	0.235	0.205
September	0.265	0.150
October	0.290	0.235
November	0.250	0.205
December	0.220	0.205
2026		
January	0.245	0.195
February	0.205	0.185
March	0.195	0.170
April	0.215	0.170
May	0.215	0.185
June	0.195	0.180

The last transacted price of the Company's Shares on 30 June 2026, being the LPD, was RM0.180.
(Source: Yahoo! Finance)

12. PURCHASE, RESALE AND CANCELLATION OF ITS OWN SHARES IN THE PRECEDING TWELVE (12) MONTHS

The details of the purchase in the previous twelve (12) months are as follows:

Date of purchase	Total no. of ordinary shares purchased	Lowest price paid (RM)	Highest price paid (RM)	Average price paid (RM)	Total purchase consideration (RM)
22 April 2026	4,480,540	0.195	0.195	0.195	876,151.98

As at the LPD, the Company held 4,480,540 Hua Yang Shares as treasury shares. Other than the aforesaid purchase, the Company had not resold, transferred and/or cancelled any Hua Yang Shares during the preceding twelve (12) months.

SHARE BUY-BACK STATEMENT

13. DIRECTORS' RECOMMENDATION

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

14. DIRECTORS' RESPONSIBILITY STATEMENT

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

15. DOCUMENTS AVAILABLE FOR INSPECTION

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

(i) the Constitution of Hua Yang; and
(ii) the audited financial statements of the Hua Yang Group for the past two (2) financial years ended 31 March 2025 and 31 March 2026.

Yours faithfully
For and on behalf of the Board
HUA YANG BERHAD
TAN SRI DATO' SERI DR. TING CHEW PEH
Non-Independent Non-Executive Chairman

Huayang

PROXY FORM

Hua Yang Berhad
Registration No. 197801007059 (44094-M)
(Incorporated in Malaysia)

*I/We ____
Company No./NRIC No. (new) ____________________ (old) ____________________ of
____ being a
member of **HUA YANG BERHAD** do hereby appoint Mr/Ms ____________________ of
NRIC No. (new) ____________________ (old) ____________________ or
failing whom ______________ NRIC No. (new) ______________ (old) ______________
or failing whom the Chairman of the meeting as *my/*our proxies to vote for*me/*us and on *my/*our behalf at the Forty-Seventh Annual General Meeting of the Company to be held at the Head Office of the Company at 4th Floor, C-21 Jalan Medan Selayang 1, Medan Selayang, 68100 Batu Caves, Selangor on Wednesday, 2 September 2026 at 10.30 a.m. and at any adjournment thereof.

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

	Ordinary Resolutions	For	Against
Resolution 1	**ORDINARY BUSINESSES** To approve the payment of Directors' fees of RM657,649 and benefits for the financial year ended 31 March 2026		
Resolution 2	To approve the payment of meeting attendance allowance of RM1,000 per meeting day for each Non-Executive Director from August 2026 till July 2027		
Resolution 3	To re-elect Chew Hoe Soon as Director		
Resolution 4	To re-elect Ho Wen Yan as Director		
Resolution 5	To re-elect Ho Wen Fan as Director		
Resolution 6	To re-appoint TGS TW PLT as the Auditors of the Company and authorise the Directors to fix their remuneration		
Resolution 7	**SPECIAL BUSINESSES** To approve the continuation in office of Tengku Dato' Rahimah Binti Al-Marhum Sultan Mahmud as Independent Non-Executive Director		
Resolution 8	To approve the authority to issue shares pursuant to Sections 75 & 76 of the Companies Act 2016		
Resolution 9	Proposed renewal of authority for the Company to purchase its own shares of up to 10% of the issued and paid-up share capital		

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

Dated this ____________ day of ______________ 2026

Number of shares held	CDS Account No.

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

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

Fold this flap to seal

NOTES:

1. Only members whose name appear in the Record of Depositors as at 26 August 2026 will be entitled to attend the Annual General Meeting or appoint proxy/proxies in his/her stead or in the case of a corporation, a duly authorised representative to attend and vote on his/her stead.

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

3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

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

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

6. No door gifts, vouchers or e-vouchers will be provided to shareholders or proxies attending the AGM.

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

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 31 July 2026.

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AFFIX STAMP HERE

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

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

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Huayang

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