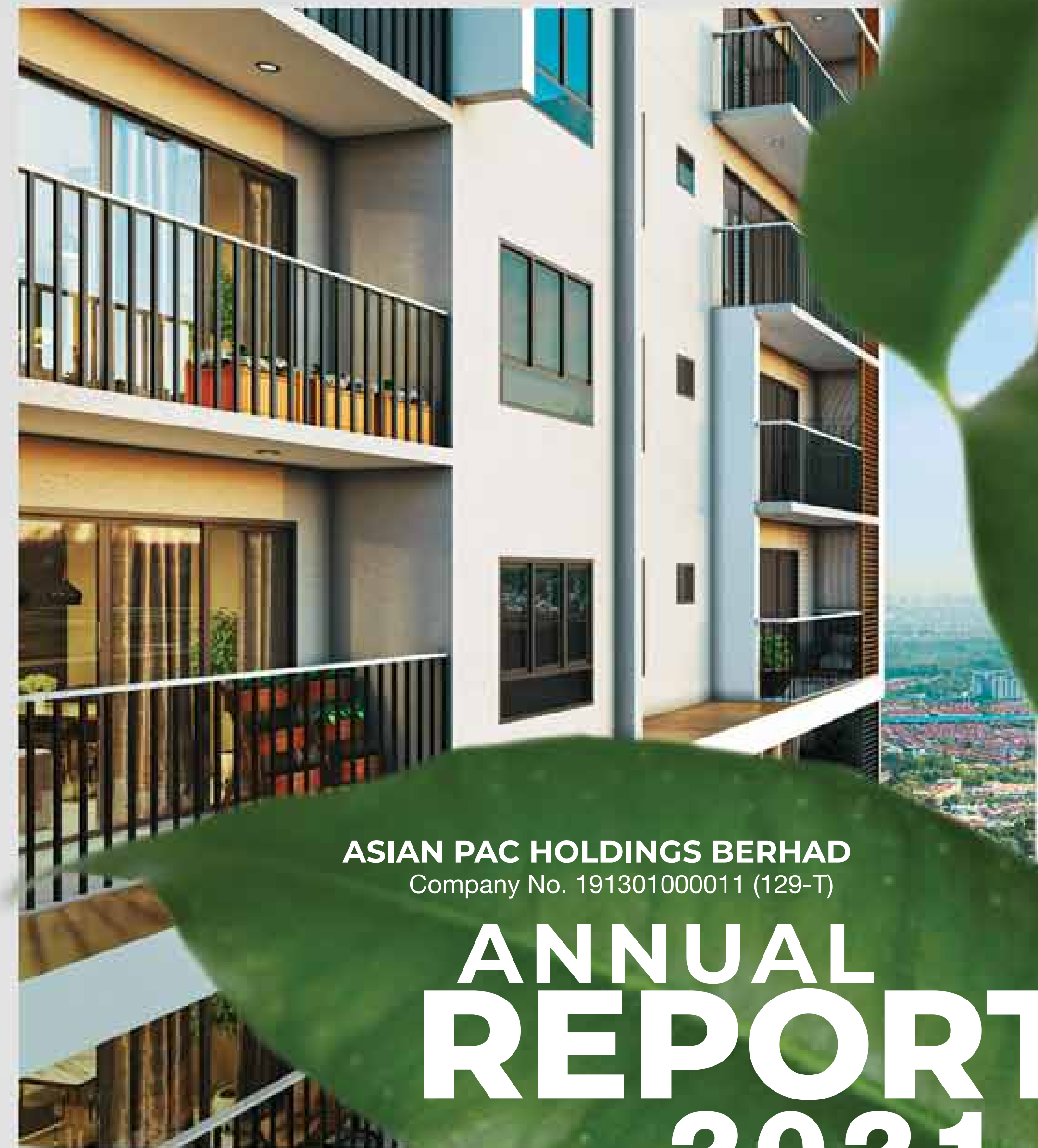

ASIAN PAC HOLDINGS BERHAD
Company No. 191301000011 (129-T)

ANNUAL REPORT 2021

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FINANCIAL STATEMENTS

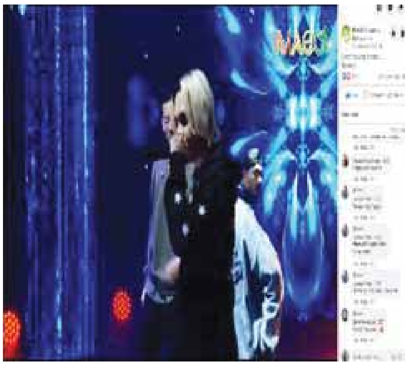
MALL
HIGHLIGHTS

AIDILFITRI DI KAAMATAN

Harvest Festival & Hari Raya

During the Conditional Movement Control Order, Imago Shopping Mall ("Imago") celebrated Kaamatan Festival and Hari Raya Aidilfitri 2020 by decorating Ground Floor's and Basement Floor's entrances to wish all the shoppers Selamat Hari Raya & Happy Harvest Festival from 8 May 2020 to 7 June 2020. Imago's marketing team also assisted tenants by posting their Raya Sales and create an album on Facebook to promote their Raya Sales.

MALL HIGHLIGHTS



DEVOTION

Imago Christmas 2020

In conjunction with Christmas Eve and New Year's Eve celebration, Imago held Christmas and New Year Event, themed "Devotion". The theme is about aspiring sunflower and its indomitable, pioneering spirit and relentless passion, symbolises the will to pursue a better life! Participants were encouraged to dedicate a song to their loved ones. There were amazing performances by local artists and exciting lucky draws. Many enjoyed the activities and performance through the live stream via Imago Official Facebook Page. Furthermore, the marketing division of Imago has also conducted a 15-second video competition to allow participants express their appreciation for their loved ones and stand a chance to win exclusive Imago Merchandise with an extra RM100 Cash Voucher.

MALL HIGHLIGHTS

CHINESE NEW YEAR

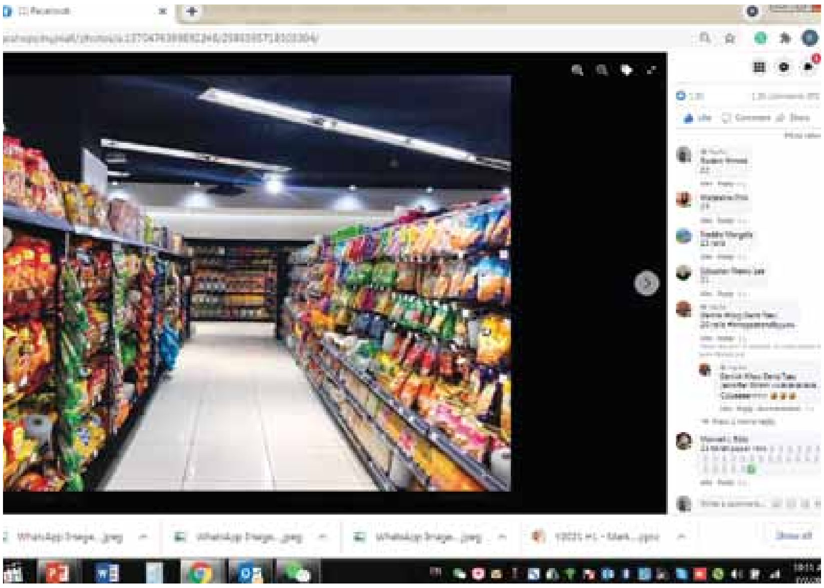
Imago Chinese New Year 2021

In celebration of the prosperous Chinese New Year 2021 event during the Movement Control Order ("MCO") period, Imago's entrances at Ground Floor's and Basement Floor were decorated with stickers to wish all the shoppers Happy Chinese New Year from 29th January 2021 to 28th February 2021.

Imago also welcomes the Lunar New Year with auspicious greetings to our shoppers online.

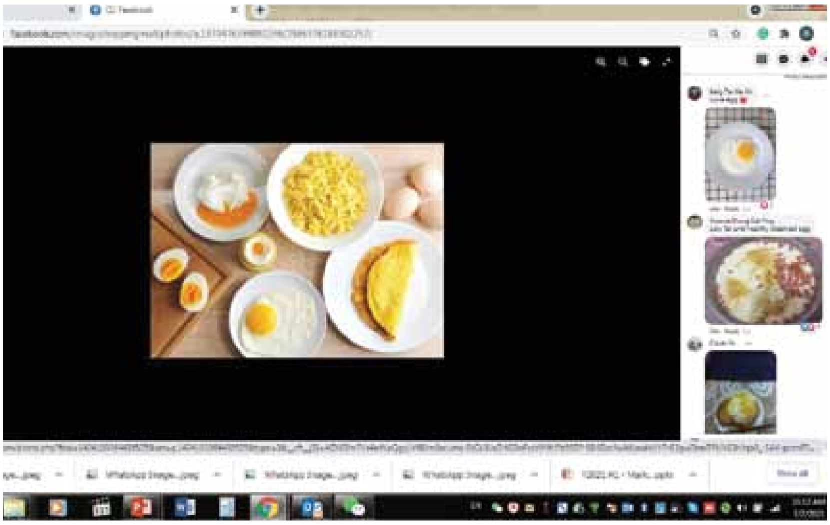
MALL HIGHLIGHTS

SOCIAL MEDIA CONTEST
April 2020



During the MCO, a few online activities were organised to keep in touch with shoppers and to increase interaction with them. To keep the audience engaged, they had to participate in the contest by counting the hidden toilet rolls and post their answer at the comment section. 10 lucky winners with the correct answer were chosen randomly and stood a chance to win Imago exclusive pen drive.

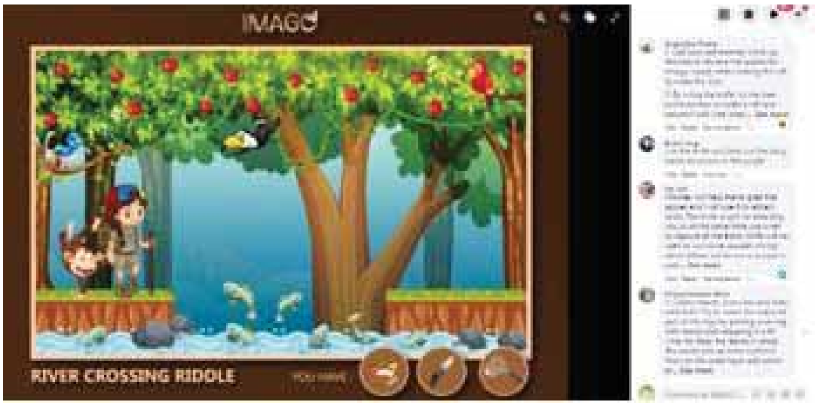
To share the creative creation of the audience, they were invited to cook an egg or eggs with the most-preferred method, snapped a photo of the end result, posted the photo in the comment and shared the post. For these activities, 10 winners were picked with the most delicious looking egg or eggs to win Imago Merchandise.



MALL HIGHLIGHTS

SOCIAL MEDIA CONTEST (cont'd)
May 2020

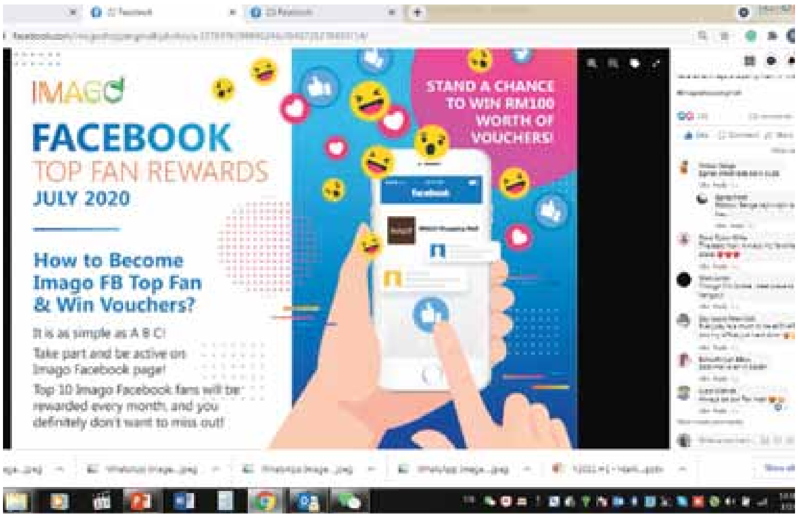
In May 2020, Imago organised a contest which featured Cross the Piranhas Rivers where 10 lucky winners were chosen randomly to win Imago exclusive pen drive. Besides, the audience were tasked to edit the photo to make it funnier, reply to the post with the edited photo and share the post. For this activities, the 10 winners with the funniest edit stood to win Imago Merchandise.

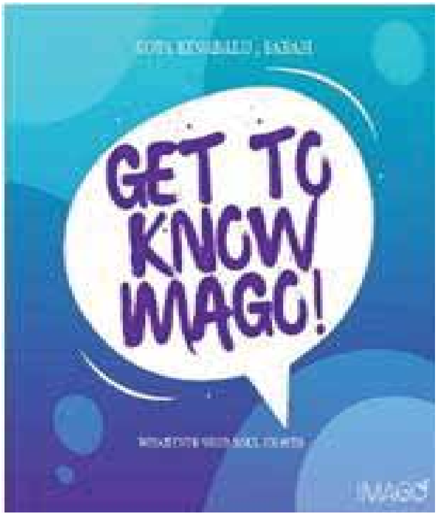


Furthermore, in ensuring that all shoppers know which are the available entrances to enter Imago during the MCO period, audience joined in a contest where they had to comment with their answers, replied to the post and shared the post. Only 10 winners with the correct answer will be chosen randomly to win Imago Merchandise.

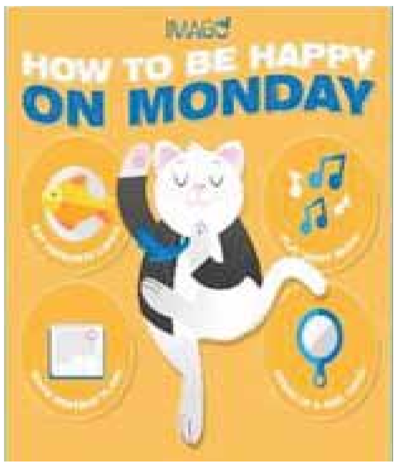
MALL HIGHLIGHTS

SOCIAL MEDIA CONTEST (cont'd)
July 2020



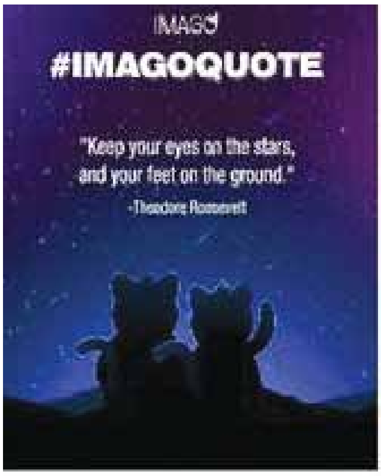


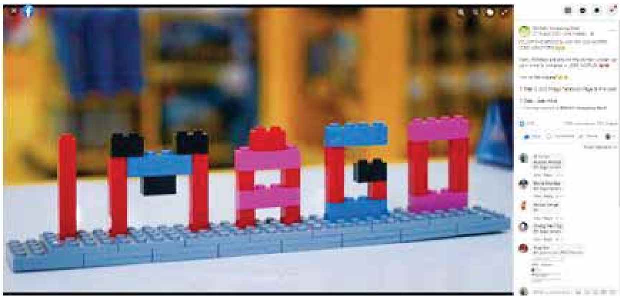
In the month of July 2020, Imago's marketing team had decided to resume Facebook Top Fan Rewards Contest by posting creative original contents which included Imago Quote, Imago Meme, Imago Tips & Facts, Imago Reviews (Film) etc. Additionally, the 'What can you eat with RM30?' video series has been laminated in Imago's Social Media Plan, which featured one F&B tenant in each episode on weekly basis. Imago's social media followers and fans were liven up and excited about the Top Fan Rewards Contest. Since then, Imago has gained more active audience to be involved in Imago's social media and an overall increase in social media engagement is witnessed.



MALL HIGHLIGHTS

SOCIAL MEDIA CONTEST (cont'd)
August 2020

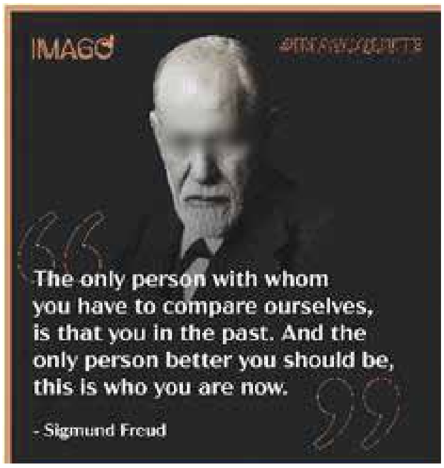




In the month of August 2020, Imago Facebook Top Fan Rewards Contest was made available which included tenants assistance posting. Creative original contents such as Imago Quote, Imago Meme, Imago Tips & Facts, Imago Reviews (Film) were posted as usual. Tenants were featured on Imago Social page to boost awareness. As more shoppers stayed home during the pandemic period, Imago Food video series is also included in weekly social media schedule. Imago's social media followers and fans were excited about the Top Fan Rewards Contest, weekly meme and weekly happenings. Since then, more shoppers look forward to participate actively on Imago's social media.

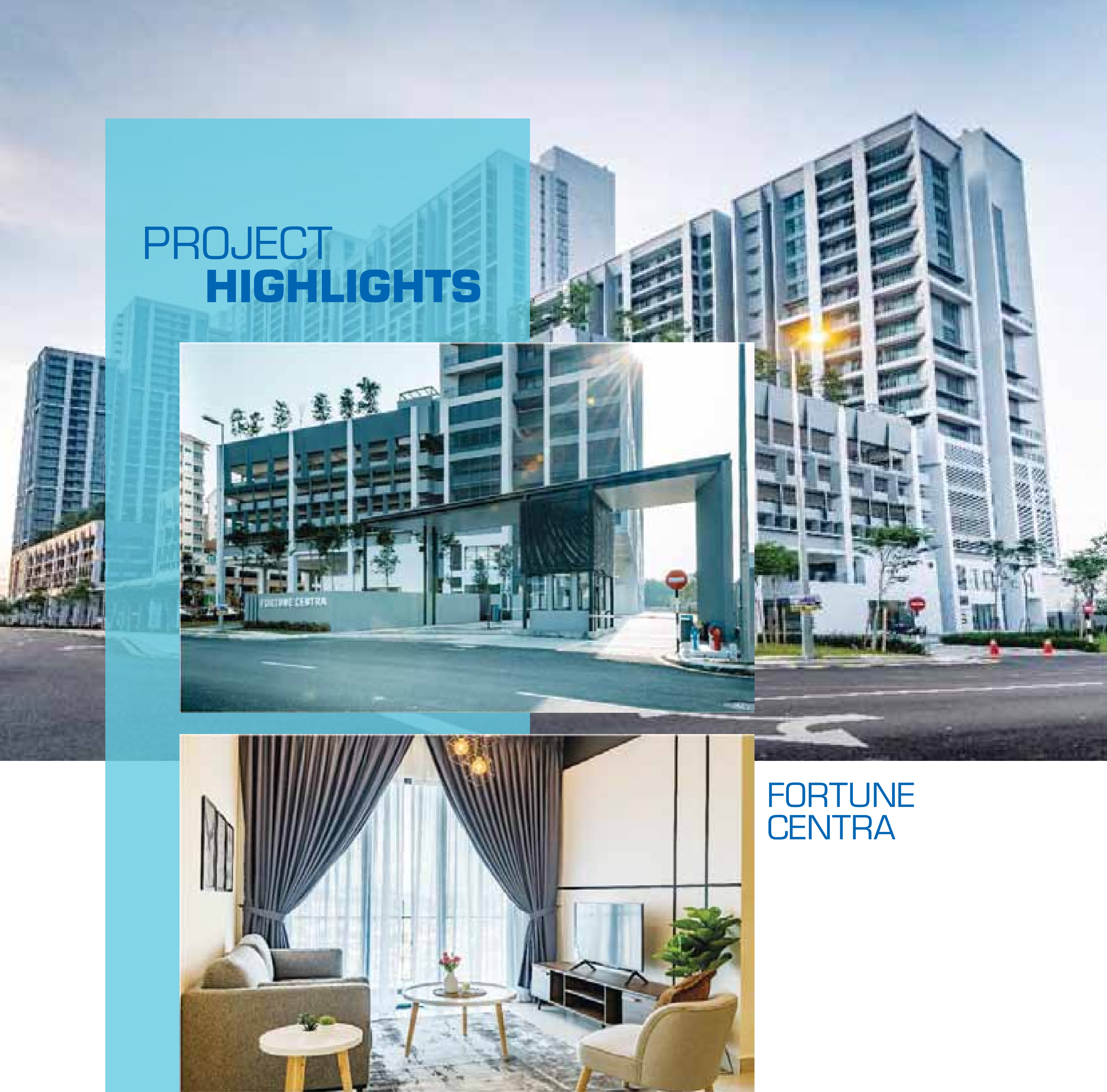
MALL HIGHLIGHTS

SOCIAL MEDIA CONTEST (cont'd)
September 2020



In conjunction with Mid-Autumn & Merdeka Celebration, two contests being organised were Count The Immortal Jade Rabbits where 10 lucky winners will be chosen randomly to walk away with Tenants Vouchers. Moreover, Imago Facebook Top Fan Rewards Contest was made available due to popular demand. Besides, Marketing team had continued to include entertainment in tenants assistance posting. Creative original contents such as Imago Quote, Imago Meme, Movie Trailer were posted as usual.

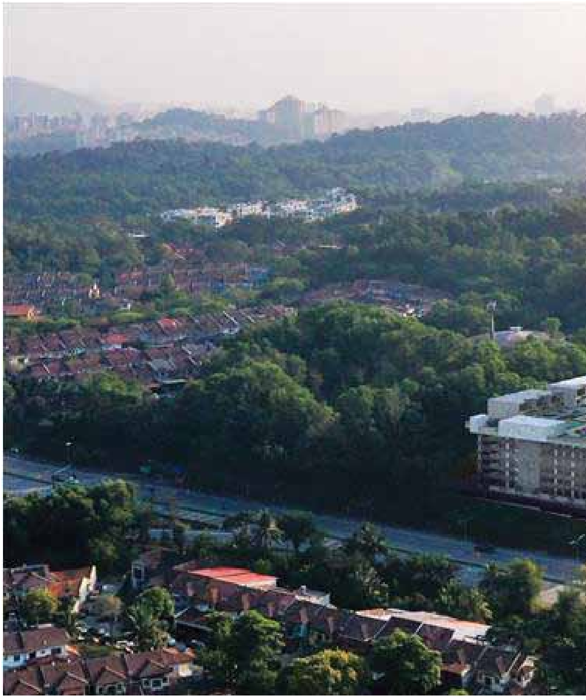
PROJECT **HIGHLIGHTS**



FORTUNE CENTRA

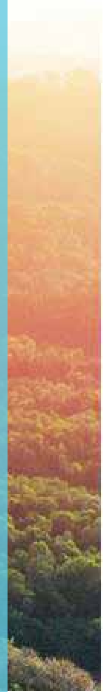
A low-density mixed development of 38 commercial shop units and 462 units of serviced residence on a 3-acre leasehold land located in Kepong town centre. The location has excellent connectivity with major highways and 2 upcoming MRT stations. This is the eighth and the last phases of the Group's Fortune Series under Kepong Entrepreneurs' Park masterplan. Fortune Centra was officially launched back in May 2017 and received over-whelming response from the market with 98% of its residential units sold within launching. The 38 commercial shop units is a modern lifestyle sensation under one covered open-air roof where all units and its patrons will enjoy an all-year round undisrupted environment by any kind of weather conditions. The project has been completed with Certificate of Completion and Compliance in first quarter 2021.

PROJECT HIGHLIGHTS



KOTA DAMANSARA

Mahogany Residence located at Kota Damansara, well-established neighbourhood blossomed with a variety of residential and commercial properties and amenities, is easily accessible via the New Klang Valley Express, North South Expressway, Lebuhraya Damansara Puchong, Penchala Link Highway and connected to excellent intercity highway systems serviced by public transport which makes travelling to-and-fro effortlessly to Mutiara Damansara and Bandar Utama. This gives its residents the easy access to a plethora of amenities within the vicinity of their neighbourhoods. It also sits within a lush environment, thanks to its location adjacent to a forest reserve with a 5km walking distance for hiking trails. This latest development project will offer 281 residential titled condominium units. The project is scheduled to be launched by fourth quarter 2021.



PROJECT HIGHLIGHTS

LIKASVUE

LikasVue is situated at Likas, KK. It stands tall and offers 360-degree scenic views throughout the year. Not many vertical homes in cities across the globe can boast that. LikasVue comes with an address that has an abundance of surrounding conveniences and necessities from neighbouring tourist attractions like the sunset at Likas Bay Park and Floating Mosque to recreational hubs that include a nearby seafront cycling track, golf driving range and sports stadium. Likas is also not short of academic establishments, medical centres and supermarkets. Within the vicinity of the development is the city's most prized commercial outlet, Imago and KK Times Square, the business-central hub of KK.

AWARDS AND **RECOGNITION**

Asia Pacific
Property Awards 2016/2017
- Best Retail Development Malaysia

Asia Pacific
Property Awards 2016/2017
- Best Retail Architecture Malaysia

Sabah Tourism Awards 2017
for Best Shopping Complex

The Malaysia Book of Records
for the Tallest Rotating Christmas Tree

Gold Award for Best Experiental Marketing by PPK Malaysia
for Category B for 2017 & 2018

SPONSORSHIP AND PROMOTIONAL ACTIVITIES

Overview:
Unicef Malaysia's Fundraising Campaign
28 August 2020 – 31 August 2020

Overview:
Collaboration within KPJ Sabah Specialist & Queen Elizabeth Hospital Blood Donation Campaign
29 August 2020

Overview:
Kempen Beli Barangan Malaysia (KBBM) Dan Program Jualan Malaysia (PJM) Peringkat Negeri Sabah
05 September 2020 – 07 September 2020

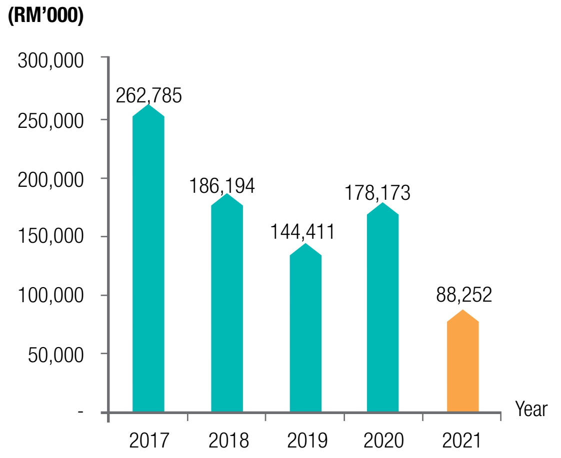
Overview:
Banci Penduduk Dan Perumahan 2020
8 September 2020

Overview:
Siuk Bah! Live Album Launching!
27 December 2020

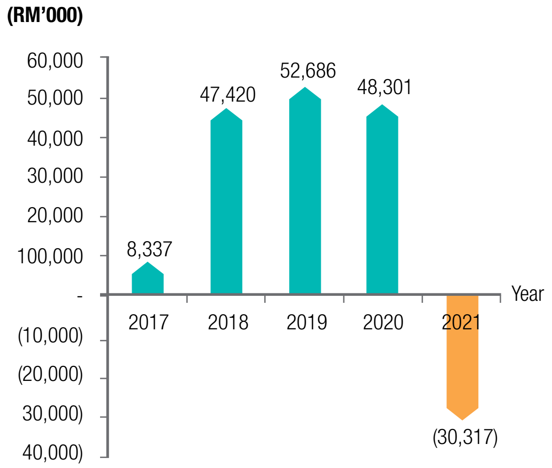
5 YEARS GROUP FINANCIAL HIGHLIGHTS

Financial Year Ended 31 March	2017	2018	2019	2020	2021
Revenue (RM'000)	262,785	186,194	144,411	178,173	88,252
Net Profit Attributable to Equity Holders (RM'000)	8,337	47,420	52,686	48,301	(30,317)
Earning per Share (Sen)	0.8	4.7	5.1	4.7	(2.9)
Net Assets per Share (Sen)	86.7	96.3	100.9	105.4	102.1

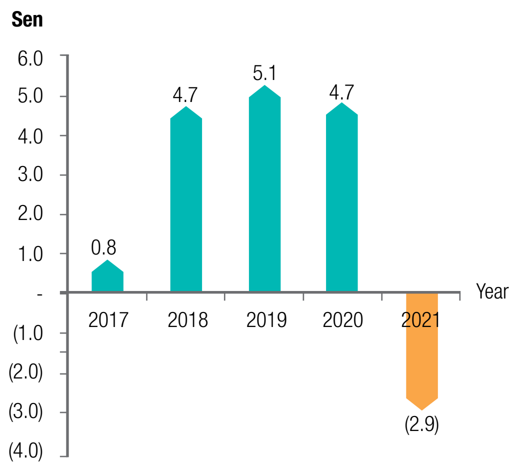
Revenue



Net Profit Attributable to Equity Holders



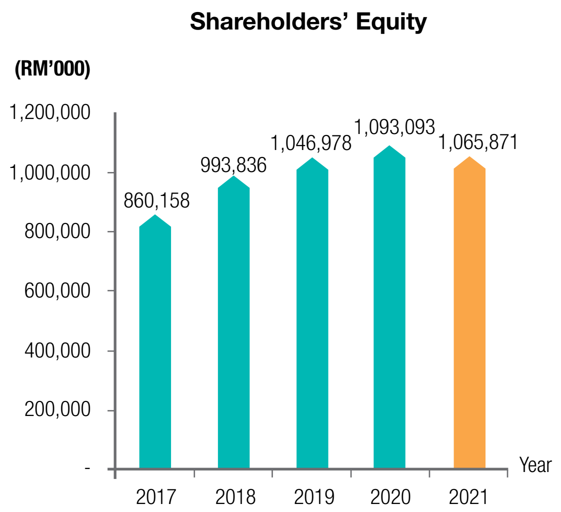
Earning Per Share

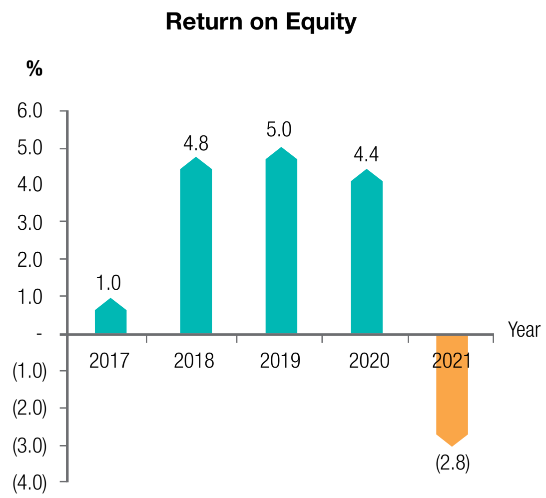


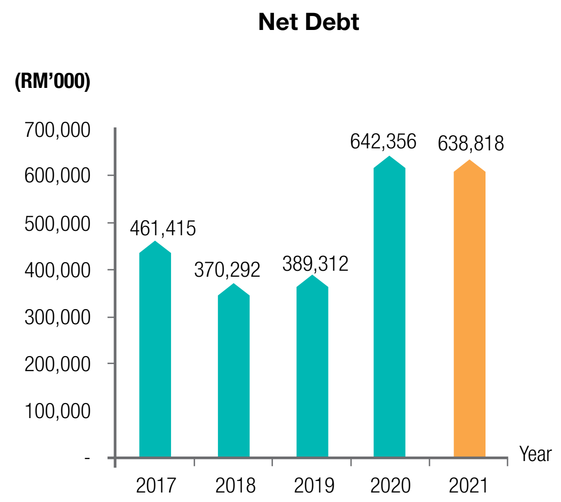
Net Assets per Share

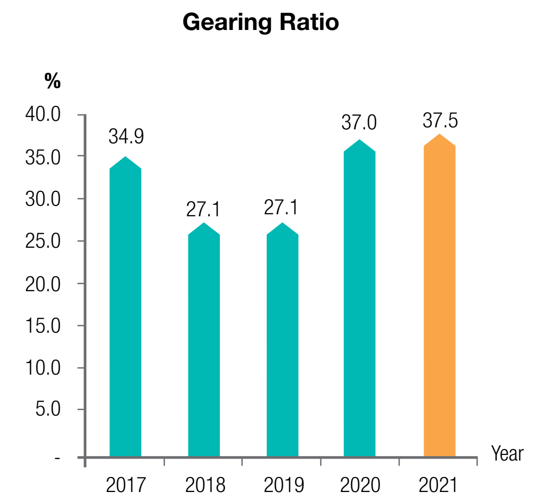
5 YEARS GROUP FINANCIAL INDICATORS

Financial Year Ended 31 March	2017	2018	2019	2020	2021
Shareholders' Equity (RM'000)	860,158	993,836	1,046,978	1,093,093	1,065,871
Return on Equity (%)	1.0	4.8	5.0	4.4	(2.8)
Net Debt (RM'000) (Note 36, Page 178)	461,415	370,292	389,312	642,356	638,818
Gearing Ratio (%) (Note 36, Page 178)	34.9	27.1	27.1	37.0	37.5









MANAGEMENT DISCUSSION AND ANALYSIS

Asian Pac Holdings Berhad ("Asianpac" or the "Group") was incorporated in 1913 and listed on the Main Board of Bursa Malaysia Securities Berhad in 1961.

We are in the business of property development and property investment, where the former is our key revenue driver whilst latter segment provides us a consistent and stable business income growth. Our property development segment focuses on niche market comprising mainly mixed development of commercial shops and high rise residential projects in Klang Valley ("KV") and Kota Kinabalu ("KK"). We are pursuing strategic expansion into mid-range and affordable landed residential properties. Our property investment portfolios involve management and operation of a shopping mall located in KK, Sabah, which is one of the components of our flagship KK Times Square II project, car park management services for more than 7,600 bays in KK and KV and the leasing of 248,822 sf to AEON BiG in Kepong.

Financial performance

Profits or Loss

(RM'000)	2021	2020	Changes
Revenue	88,252	178,173	(81,921)
Cost of sales	(47,519)	(101,406)	53,887
Gross profit	40,733	76,767	(36,034)
Other income	33,153	39,900	(6,747)
Administrative expenses	(72,854)	(36,336)	(36,518)
Operating profit	1,032	80,331	(79,299)
Finance costs	(34,180)	(26,748)	(7,432)
Share of result of associate	(2)	-	(2)
(Loss)/Profit before tax	(33,150)	53,583	(86,733)
Income tax	2,543	(5,365)	7,908
(Loss)/Profit for the year	(30,607)	48,218	(78,825)

The Group's financial performance was impacted by the COVID-19 pandemic that triggered movement restrictions and disrupting all business operations. For the financial year under review, the Group recorded revenue of RM88.3 million, compared to RM178.2 million reported in the previous financial year. The lower revenue in the financial year was primarily attributed to lower revenue contribution from the property development segment, where the Fortune Centra project has reached the completion stage with commencement of hand over of vacant possession on 1 March 2021 and the provision for liquidated ascertained damages ("LAD") of RM8.6 million in respect of one of the past property development projects undertaken by the Group. Our revenue generation was also impacted by the Group's prudent stance to delay its pipeline of new development launches given the challenging property market sentiment caused by the unprecedented COVID-19 outbreak and the various phases of MCO implemented by the Government to contain the COVID-19 spread. The mall operations segment also reported a substantially lower revenue mainly due to rental rebates provided to tenants for Imago having been impacted by the unprecedented situation. In line with the lower revenue achieved, gross profit declined by RM36.0 million, or 46.9% to RM40.7 million this year.

As discussed in the above, profit performance has also slowed in tandem with the lower level of development and retail activities during the various phases of MCO. As a result, our operating profits dropped substantially by 98.8% or RM79.3 million from RM80.3 million last year to RM1.0 million. There was a significantly higher net fair value losses adjustment on investment properties of RM30.9 million in the current year as compared to RM1.3 million a year ago largely attributed to Imago of RM30.1 million and the carparks of RM6.9 million, but slightly mitigated by fair value gain on other investment properties of RM6.1 million. Due to the ongoing COVID-19 pandemic and the border closure, our business segments particularly the mall and car park operations were impacted. With businesses and malls operating at very low capacity due to tighter social distancing rules during the various phases of MCO, the resultant decline in earnings of Imago and carparks had invariably affected the valuation. In view of the prolonged pandemic and MCOs, there remains uncertainty on the reopening of travel borders which will continue to impact retail recovery of Imago as the mall continues to experience downward pressure on shopper footfall and retail sales. During this challenging period when sales recovery does not look promising for the tenants, they have continued to request for rental rebates to alleviate their burden.

MANAGEMENT DISCUSSION AND ANALYSIS

The lower operating profit was also partly impacted by the decline in revenue and allowance for expected credit loss of RM2.0 million on trade receivables attributed to the impact on COVID-19 and impairment on other receivables of RM4.5 million. Gain on investment amounting to RM16.5 million and gain on disposal of quoted shares of RM6.0 million as well as fair value gain on the short term investments of RM1.2 million have mitigated the lower operating profits.

Excluding the fair value losses and allowance for expected credit losses totalling RM43.5 million, the Group's operating expenses amounting to RM29.4 million has decreased in the current financial year in view of the cost containment effort undertaken by the Group during the pandemic. The Group would have registered an operating profit and profit before tax of RM47.0 million and RM12.9 million respectively for the entirety of financial year ended 2021 if the net fair value losses and allowances were excluded.

Finance cost has increased by RM7.4 million mainly due to the unwinding of interest costs in relation to long-term payable, offset with the lower interest costs arising from the reduction in interest rate. There is an income tax credit of RM2.5 million in the current financial year as compared to an income tax expenses of RM5.4 million in the preceding year mainly due to the reversal of deferred taxation expenses attributed to the increase in fair value loss on investment properties in the current financial year. In line with the significantly lower operating profits, the Group posted a loss after tax of RM30.6 million from profit after tax of RM48.2 million in the preceding year.

Assets and liabilities

(RM'000)	2021	2020	Changes
Assets			
Non-current assets	1,684,629	1,741,949	(57,320)
Current assets	350,982	299,045	51,937
Total assets	2,035,611	2,040,994	(5,383)
Liabilities			
Non-current liabilities	728,514	795,730	(67,216)
Current liabilities	237,967	148,622	89,345
Total liabilities	966,481	944,352	22,129
Equity			
Share capital	212,399	210,977	1,422
Reserves	3,108	194	2,914
ICULS	75,638	76,847	(1,209)
Retained profits	774,726	805,075	(30,349)
Equity attributable to equity holders of the parent	1,065,871	1,093,093	(27,222)
Non-controlling interest	3,259	3,549	(290)
Total equity	1,069,130	1,096,642	(27,512)
Total equity and Liabilities	2,035,611	2,040,994	(5,383)

Non-current assets have decreased by RM57.3 million to RM1,684.6 million this year mainly due to the RM30.9 million net fair value losses recognised for the valuations of the Imago mall and the carparks at the balance sheet date and the utilisation of development costs amounted to approximately RM29.5 million for the pre-development activities in relation to the various new development projects which are in the pipeline.

Current assets have increased by RM51.9 million to RM351.0 million mainly due to additional development costs of RM31.0 million incurred in respect of the new development projects in the pipeline and increase in inventories of newly completed developed units of RM24.0 million during the year.

Total liabilities increased by RM22.1 million to RM966.5 million mainly due to net drawdown of the loan facilities to fund working capital during the year.

MANAGEMENT DISCUSSION AND ANALYSIS

Total equity remained strong at RM1,069.1 million, despite a decrease of RM27.5 million or 2.5% from the previous financial year mainly due to losses in the current financial year after factoring in the fair valuation loss adjustments as mentioned in the previous paragraphs.

Cash flow

(RM'000)	2021	2020	Changes
Cash flow generated from investing activities	31,502	79,959	(60.6%)
Cash flow used in operating activities	(8,521)	(205,763)	(95.9%)
Cash flow (used in)/generated from financing activities	(5,994)	101,738	>(100%)
Cash and cash equivalent	40,456	23,469	72.4%

The decrease in cash generated from operating activities was mainly the result of lower operating profit coupled with lower collections in view of the rental rebates provided to the retail mall's tenants affected by the various phases of MCO. The increase in investing cash inflow was attributed to lower development costs expended on pre-development activities for new development projects during the pandemic. The decrease in cash flow from financing activities was due to lower drawdown of loan facilities during the financial year.

We financed our operations primarily through a combination of cash flow generated from operations and loan facilities. The gearing of the Group increased from 37.0% to 37.5% due to net increase in bank borrowing coupled with a lower total equity after appropriating a net loss for the year.

Property Development

Business and Strategies

In line with our business strategies for the financial year ended 2021, we resolved to carry out aggressive sales activities to bring down our unsold inventories in the sluggish property market. Internally, we continue to revamp our processes to improve the efficiency by reducing delivery time from concept and design stage to completion of construction stage. In enhancing our competitive advantages, we are leveraging on innovative monitoring tools in our construction monitoring processes to undertake active monitoring of project development activities as well as promptly responding to and managing any pain point of delay in deliveries. To further enhance its competitiveness, we are also establishing standardisation of technical specification and design for all future projects' launches whilst allowing operational flexibility to navigate the evolving business landscapes. It reinforces our principle to deliver quality products to our purchasers and at the same time, maintain a level of product consistency within the Group.

During the pandemic, our sales and marketing teams continue to explore innovative ways to engage with our potential purchasers by leveraging on digital platforms and on social media channels to capture a larger market share and in facilitating property buying process.

Amidst the current uncertainties, we are mindful in managing cost with the implementation of various cost containment measures including renegotiation of building materials procurement contracts for construction use.

Review of Operations

Property development segment accounted for the highest revenue contribution for the Group but revenue growth was lowered by RM58.6 million or 58.7% from RM99.9 million in the previous year to RM41.2 million in the current year. In line with the lower revenue, segment result has recorded losses of RM13.4 million as compared to a profit of RM34.4 million a year earlier. The lower revenue was attributed to the Fortune Centra development project which has successfully completed with commencement of its vacant possession on 1 March 2021. Despite the delay in activities at construction site brought about by the various MCOs, the delivery of vacant possession was within the targeted timeline based on the contractual sales and purchases agreement.

The lower revenue and segmental losses incurred was also partly due to a provision of LAD of RM8.6 million in respect of a past development project during the financial year.

MANAGEMENT DISCUSSION AND ANALYSIS

Enhancing customer experience is our dedication and in meeting our customers' expectations throughout the after-sales services, we have established a customer service team to ensure the key-handover process a memorable experience for the purchasers, defects submission and products are delivered to the satisfaction of our purchasers. We have also established an in-house facilities management team to focus on the provision of operations, maintenance and management services which can diversify our revenue stream with sustainable income and expand beyond our internal operations as a service provider for external parties in time to come. Our newly established in-house property management team will safeguard the maintenance and upkeep of our projects completed in the most favourable and conducive condition.

Our aggressive sales strategies in converting the inventory units to sales under the current challenging economic situation had made encouraging result by further reducing completed units held for sale from a past project by 62.5% under the pandemic and various phases of MCO during the year. With the completion of Fortune Centra in February 2021, an additional inventories of RM24.0 million was added to the inventories at the end of the financial year. During the various phases of MCO, our planned marketing activities were disrupted and we have stepped up on digital marketing and social media platforms to reach a larger pool of audience and gather feedbacks from prospects for our new sale launch while in a lockdown state.

During the financial year, we had put on hold our new projects' launches which have been carried forward to financial year ending 2022, largely due to the resurgence of the COVID-19 cases and various phases of MCO where pre-development planning and authorities' site inspection were disrupted by the closure of local authorities' office and officers who work from home during the MCO. The Group will remain prudent with new launches and market-oriented products and pricing.

For the financial year ending 2022, we have planned for few projects launch which comprised a mix of development products to be rolled out in stages. However, as the political and economic uncertainty as well as the COVID-19 pandemic continue to impact the property market in the near term, we will continue to re-assess our strategy and calibrate the timing to launch the new sales according to demand forces.

FORTUNE CENTRA



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MANAGEMENT DISCUSSION AND ANALYSIS

LIKASVUE



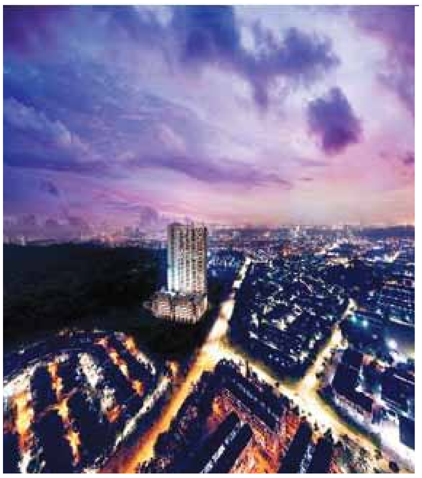
LikasVue is situated at Likas, KK. It stands tall and offers 360-degree scenic views throughout the year. Not many vertical homes in cities across the globe can boast that. LikasVue comes with an address that has an abundance of surrounding conveniences and necessities from neighbouring tourist attractions like the sunset at Likas Bay Park and Floating Mosque to recreational hubs that include a nearby seafront cycling track, golf driving range and sports stadium. Likas is also not short of academic establishments, medical centres and supermarkets. Within the vicinity of the development is the city's most prized commercial outlet, Imago and KK Times Square, the business-central hub of KK.

Likas is lively and bustling with diverse activity, making it an ideal nest for a family to enrich their everyday livelihood. Most projects featuring dual key units in KK are not able to transform from dual key to single key. With LikasVue versatile unit layout, purchaser can use the additional space to turn dual-key unit into a single-entry unit for a larger home.

From 884 square feet to 1,056 square feet, dual-key unit options offer buyers an investment opportunity for a fruitful business or a lifelong residency for generations to come. The low-entry price and attractive promotion appeal to younger buyers wanting an urban lifestyle.

MOHAGONY RESIDENCE, KOTA DAMANSARA

Mahogany Residence located at Kota Damansara, well-established neighbourhood blossomed with a variety of residential and commercial properties and amenities, is easily accessible via the New Klang Valley Express, North South Expressway, Lebuhraya Damansara Puchong, Penchala Link Highway and connected to excellent intercity highway systems serviced by public transport which makes travelling to-and-fro effortlessly to Mutiara Damansara and Bandar Utama. This gives its residents the easy access to a plethora of amenities within the vicinity of their neighbourhoods. It also sits within a lush environment, thanks to its location adjacent to a forest reserve with a 5km walking distance for hiking trails. This latest development project will offer 281 residential titled condominium units. The project is scheduled to be launched by fourth quarter 2021.



MANAGEMENT DISCUSSION AND ANALYSIS

RIMBA HILLS

Rimba Hills is a residential development with a leasehold of 999 years, housing a stretch of trendy shops that serve convenience to your doorstep. A low-density dream of 136 units nestled on the hills above 22 blocks of retail retreat.

Situated along the Pan Borneo Highway – 2,000km from Sarawak through Brunei and connecting Sabah, adjacent to the interchange between Papar and KK City Centre, Rimba Hills exudes the charm of modern living within the realm of natural wonder. A collection of conveniences 5km within reach of a shoplex and sensational sights overlooking the South China Sea, where life is surreal yet surely real.

Rimba Hills signals the rise of a new social hub that's set to redefine Kinarut urbanism with sense and style, taking root between Papar and City Centre along the Pan Borneo Highway, a route that brings a new age of accessibility to wondrous delights and magnificent views as nature intended.

Scale the top of Rimba Hills and discover a view of the South China Sea that few can savour. Moments from dawn to dusk that welcome you with the chirping of birds that grace the hillside private park – a reward for those who embrace their roots. What sets Rimba Hills apart is the enjoyment of personal space in open fields of facilities that merge landscaped greenery with nature's scenery. Where every home is welcomed by basketball courts and outdoor gyms along hiking trails that endear the social heart of every resident, their family and friends to the great outdoors.

TAMAN MEDAN

This project is sitting on a 74 acres of development land located in the bustling township of Taman Medan. The site which is sandwiched between two major highways, New Pantai Expressway and KESAS Highway, is located in the city of Petaling Jaya and within a few minutes' drive to Bandar Sunway. The locality is also situated about 5km and 4km away from the heart of Petaling Jaya and Bandar Sunway respectively.

The up-coming development will offer a series of exquisitely designed apartment homes which offer a whole new comfort of home living experience to its future residents. Currently, the development is still under its preliminary design and planning stage. The project launching is anticipated by first quarter 2022.

KUNDANG

A landed residential project with two and three storey linked house which is situated at the intersection of three major highways, namely, North-South Highway (NSE), Guthrie Corridor Expressway (GCE) and Kuala Lumpur-Kuala Selangor Expressway (LATAR), one can reach Kuala Lumpur city centre, Petaling Jaya, Subang Jaya, Shah Alam, Kuala Selangor and Bukit Jelutong without hassle. All in all, Kundang is a great place to stay if you want a home away from the hustle and bustle but still able to reach the city within minutes. Currently, the development still under its preliminary design and planning stage. The launching is anticipated by fourth quarter 2021.

Anticipated Risks

Risks related to the COVID-19 pandemic faced by many industries globally and locally remain acute and most business segments are affected. Property development segment was not spared from impact of the COVID-19 where continued reinforcement of various phases of MCO have delayed our planned sales launch and restricted sales and marketing activities notwithstanding that we have rolled out online sales via social media platforms or virtual show unit. With the reimposition of a full lockdown since June 2021 under the third MCO ("MCO 3.0") and the latest round of lockdown where non-essential services are not allowed to operate, new launches have to be rescheduled to later dates and development strategies have to be revised due to greater precautionary measures on cost management during the pandemic. During this period, we took the cue that timeline of economic recovery remains vague, thus planning and strategies will need to be in place to accelerate the pace of responding to changing trends and demands whilst optimising construction resources for greater efficiency.

MANAGEMENT DISCUSSION AND ANALYSIS

Outlook

Generally, the property market's performance hinges on the country's economy. Bank Negara Malaysia reported that the Malaysian economy growth expanded by 16.1% in the second quarter of 2021 as compared to -0.5%% in the first quarter of 2021 driven by the strength in domestic demand and exports due to resumption of business activities and underpinned by the Government's various stimulus measures. As we appeared to be heading towards a recovery in the first quarter of 2021 following the easing of movement restrictions and deployment of vaccines, the spike in daily COVID-19 cases which led to the re-enforcement of a series of lockdown has placed uncertainty again on the pace of economic recovery. Amidst the cautious sentiment, the current accommodative interest-rate regime and an extension of moratorium of a further 6 months loan instalments until the end of the year will certainly help cushion the impact of the pandemic and reinvigorate the economy.

Following the rollout of the mass vaccination programme that is paving the way for normalisation in economic activities globally and across Malaysia, there are some early signs of recovery in the property sector but it is also dependent on the availability of the vaccine to reaching the critical mass of the general population.

Nevertheless, we remain positive on a longer-term outlook when the ongoing rollout of vaccination programme combined with policy support will lift market sentiments, strengthen labour market conditions and stimulate the demand for our property development offers and launches. Meanwhile, we will closely monitor the trend to align with the timing of our new sale launches.

Mall Operations

Business and Strategies

The decision to adopt international quality and management standards have provided useful tools and skillsets to soften the impact of COVID-19 on Imago. We will continue to plan the rollout of effective mitigation and win-win policies to support tenants where possible while maintaining responsibility towards all stakeholders. We will continue to carry out effective brand awareness and loyalty campaigns to remain highly relevant to local consumers and in anticipation of the lifting of international travel restrictions, especially from countries such as China.

Cost optimisation will continue to take centre stage as MCOs continue to be part-and-parcel of the Malaysian landscape. This is carried out on the principle that quality shall not be adversely compromised, and that the creation of a conducive retail business and consumer lifestyle environment still remain as Imago's main focus. In the process, Management will look at adopting newer and practical technologies that will improve life-cycle costing and operational efficiency. This will also contribute positively towards a sustainable business model in the long term.

Management will also take this period of lull in operations as an opportunity to drive internal assessment and improvements. We have adopted a “repair, restore and recover” policy for the financial year ending 2022. Action plans are in place to “repair” the various operational impacts of COVID-19, such as brand awareness and brand loyalty, to “restore” postponed improvements and upgrades to Imago, and to “recover” operational efficiency post-pandemic while ensuring long-term sustainability.

MANAGEMENT DISCUSSION AND ANALYSIS

Review of Operations

Mall operations continue to contribute sustainable rental income for the Group at 38.5% of the total Group's revenue. The mall operations segment registered a total revenue of RM37.4 million with an operating profit of RM18.2 million. Although this has reduced from previous financial year of RM64.2 million and RM33.5 million in terms of total revenue and operating profit respectively, the operating profit margin of 48.7% showed effective management in combating the impact of the COVID-19 pandemic that continued to besiege the retail and tourism market throughout the entire financial year. The operating profit mentioned here were before taking into consideration the loss on fair value adjustment on investment properties and interest expenses totalling RM50.6 million and RM16.2 million in the current and previous years respectively. The mall remains resilient throughout the pandemic despite providing substantial rental rebates to tenants during the financial year.

According to Sabah Tourism Board statistics, international tourist arrival in 2020 registered a sharp drop of 87.7%, where April 2020 onwards saw virtually no arrivals. This impacted greatly the tourism spending at Imago. Official data also showed the same pattern of limited arrivals for January 2021 and February 2021 as international flights were still restricted. The drop in international tourism meant that retail sales at Imago relied fully on limited local consumption as the various types of MCO and standard operating procedures implemented by the federal and state government throughout the financial year resulted in restricted movement and cautious retail spending amongst locals.

In an official report released jointly by the Malaysia Retailers Association, Retail Group Malaysia and Malaysia Retail Chain Association, members of the retail industry reported a growth rate contraction of 16.3% for 2020 compared to 2019, which was the worst performance since the Asian financial and economic crisis that took place more than 20 years ago in 1998 when retail sales in Malaysia saw a drop of 20%. The two retail sub-sectors that saw the worst results were department stores and fashion and accessories, where both saw a 44.7% and 49.6% growth rate contraction in the fourth quarter 2020. Overall, Malaysia's retail sales in 2020 contracted by 16.3% achieving only RM90 billion in sales against RM107.5 billion in 2019.

MANAGEMENT DISCUSSION AND ANALYSIS

Despite the gloom and doom sentiment, we worked together with our retail partners at Imago by providing substantial rental rebate policy so that everyone can pull through this tough period together. Although there is a reduction in overall average occupancy to about 85% attributed to early termination of tenancy agreements and non-renewal of tenancies and tenancies expired, there were also 58% tenancies renewed. We have continued providing support to the eligible tenants in the form of variations in rent structures to mitigate the current challenges faced by tenants. Major retailers and brands continue to place their trust in Imago as a major retail landmark and premise in East Malaysia. It is encouraging to note that occupancy remains resilient as there are new leases signed up during these MCO period and new international brands are still exploring opportunities in expanding to Imago in preparation of a post-pandemic retail revival.

For the reporting year, Imago first started its *#StandByYou* campaign at the onset of the COVID-19 campaign as we believe the survivability of our tenants and a stable foundation is a main factor in the mall's sustainability. Win-win situations were established with tenants. Imago also worked together with tenants to prevent the outbreak of COVID-19 locally as we were also one of the first malls in Malaysia to implement strict operational procedures in line with government and international recommendations, such as regular sanitisation, imposing face mask requirements, providing hospital-grade hand sanitisers, etc., and even closing social and public amenities deemed as potential cross-infection hotspots.

Our marketing strategy shifted from focusing on experiential onsite engagements to online strategies as it sought to maintain and retain brand awareness and loyalty. Imago was the first mall in the whole of Malaysia to have conducted an online Christmas and New Year event titled "Devotion – Eternal Faith, Forever Love" via Facebook Live to bring the celebration to the public rather than have the public come to Imago as a crowd-control measure to mitigate the risk of COVID-19 cross-infections. It employed local celebrities and talents, thereby indirectly contributed back to the local community with this event that focused on reminding the public to continue to have faith that better times are ahead and to show our love to those at the frontlines who have sacrificed a lot of time, effort, health and family.

In order to achieve a balance, cost optimisation measures were carried out throughout the last financial year and into this year. Efforts such as minimising ventilation and air-conditioning energy losses, improving energy efficiency, improving workforce efficiency, etc., all became an essential aspect of operations. Thankfully, our advanced preparation by adopting high quality international management standards, such as ISO 9001:2015 Quality Management Standard, ISO 14001:2015 Environmental Management System and a comprehensive risk management framework based on ISO 31000 Risk Management along with regular internal audits and assessments, enabled us to effectively navigate the uncharted territory of a pandemic of such a scale never before experienced in the last three to four generations.

Although planned green initiatives saw a disruption because of COVID-19, we continued to pursue this by working on smaller programs such as with food and beverage tenants on grease recovery/recycling programs to prevent pollution, phased introduction of recycling programs to reduce dumpsite waste volume, and creating environmental awareness like celebrating "Earth Hour" via an online event.

We also contributed back to society with the employment of those who have lost their jobs from the disruption to the tourism industry as part of the #StandByYou campaign. They were given part-time positions to represent Imago as "Service & Goodwill Ambassadors", assisting mall patrons where required such as inquires, general information, tourism information, etc., when there was a mild recovery in the middle of 2020 before the pandemic turned severe again during the second wave.

At the heart of everything, we have also not forgotten that it was Imago's staff who carried with them the greatest burden and responsibility of sustaining operational activities despite travel restrictions, work-from-home directives, and other such disruptions. Hence, we continued to provide personal protective equipment such as face masks, face shields, disposable gloves, hand sanitisers, and even protective suits to ensure their health and safety remains a top priority. On top of government controls, we also implemented additional internal preventive measures to ensure staff safety such as physical distancing at workstations, observational self-imposed quarantine, maintaining indoor air quality, self-imposed isolation (no gathering), and enabling remote working conditions, amongst others. Management and human resource were also constantly in touch with the entire team to not only ensure that they are physically in a good state, but to also care for their mental stress and health as everyone had to adopt to a "new" normal.

Imago had applied to the government to be part of the "Mega Vaccination Centre" program in order to contribute a small but vital role in the national vaccination rollout and to improve vaccination rates. Most of Imago and tenant staff have registered for the program. We had also continuously worked with the local council in disseminating best practices in fighting and preventing COVID-19 to better educate the public on the pandemic using our own various online and offline channels.

MANAGEMENT DISCUSSION AND ANALYSIS

Anticipated Risks

The prolonged COVID-19 pandemic impacted the footfall and vehicular traffic to the mall. Strict social distancing rules continue to adversely affect shopping traffic as the retailers are not able to operate at full capacity compared to the pre-COVID period. Our rental income was greatly affected mainly due to rental rebates provided to the mall's tenants in supporting the retailers, lower occupancy rate and higher expected credit losses resulting from slower collection from the affected tenants. The consequential decline in earnings has resulted in a material fair value loss adjustment to the valuation of Imago. We believe that COVID-19 pandemic will continue to be a major factor on the impact of the financial performance of the Group. Retail sales is forecasted to continue to show little improvement especially with the reinforcement of the MCO for the month of June 2021. This, combined with the impact since the onslaught of the pandemic in the first quarter 2020, will see most, if not all, existing retail tenants fighting to bridge until the better times ahead. At the same time, potential tenants will also hold onto a position of "wait-and-see" for fear of overexposure during such a tumultuous situation.

Outlook

Tourism, whether local or international, will continue to be depressed similar to last year and is not expected to bring significant contribution to retail sales at Imago. Local consumption will also be expected to plateau within the next six to nine months as travel restrictions, physical distancing, fear of COVID-19 exposure, etc., continue to be main factors affecting spending apart from compounding effect from economic indicators.

We believe that the retail market is not expected to recover significantly within the next six to nine months until vaccination rate reaches critical mass and nations open up borders and lift travel restrictions. Even that, it may take a further two to three years before travel routines, behaviours and patterns returns to pre-pandemic levels as travellers remain cautious. Hence, it is forecasted that the overall retail industry will return to normal only in 2023. Nevertheless, we are confident that the recovery period for mall operations can be shorter as Imago is still the retail landmark of East Malaysia.

Car Park Management

Business and Strategies

The financial year ended 2021 was most definitely the year of tectonic shifts for businesses worldwide including Malaysia and the car parking business industry here is no exception and was not spared. Our car parking business performance had vastly been affected due to this unprecedented challenging pandemic and the ungauged situation compounded further by the extended impact from the COVID-19 cases which has spiked up exponentially throughout and across the country which resulted in various phases of MCOs. This scenario had resulted in some companies folding up their businesses and left the premises while others, took drastic actions such as laying off staff. Many had to work from home. Under such circumstances, our car parking business was greatly affected by the roller coaster ride of revenue collections. In formulating our business model during this COVID-19 pandemic, cost optimisation strategy took the centre stage. Having said that, we recognised operational efficiency as the key area where we should dive into to re-engineer or shorten the processes and better utilisation of internal resources. At the same time, it would not compromise the quality of services we provided. One of our action plans is to prioritise the implementation of fully automatic and ticketless system to our operating sites.

MANAGEMENT DISCUSSION AND ANALYSIS

Notwithstanding all these challenges, we will continue with our initiative to expand our car park management services rendered to external parties so as to achieve a higher and recurring revenue growth.

Review of Operations

The car park operations segment recorded a lower revenue by RM3.1 million to RM6.9 million. The drop in revenue was largely due to the significant reduction in the vehicular traffic at our non-seasoned car parks particularly in the third quarter of financial year 2021 as many offices have activated business continuity plan where staff will continue to work from home during various phases of MCO. Segment result decreased by RM2.4 million to RM2.1 million (before fair value adjustment of investment properties) this financial year in tandem with the decreased in revenue. Notwithstanding that, car park operations could rebound very quickly upon the resumption of economic activities as reflected in the better earnings contribution during the recovery period in the third quarter of 2021.

We will continuously improve the car parking experience, operation efficiency and cash flow management. System and technology upgrade such as implementation of ticketless carpark system to replace the aging equipment will see saving in terms of lower maintenance cost; better end user experience with a more user-friendly and contactless technology such as online payment and e-wallet to enhance safety and hygiene; and will cause lesser damages to the environment by using less printed, paper tickets. We expect this project to take off in the third quarter of the financial year ending 2022 where IMAGO mall car park site is set to be our pilot project in KK.

With all its efforts in training and upskilling the level of services, we have successfully achieved the certification process for ISO 9001:2015 Quality Management System and ISO 14001 Environmental Management Standard in October 2020. This will contribute positively towards a sustainable business model in the long term.

Anticipated Risks

Although car park operations segment has seen a quick rebound of strong vehicular traffic to our parking sites after the gradual lifting of lockdown of industries since May 2020, the pace of recovery was hampered by the resurgence of COVID-19 second and third waves. Vehicular traffic volume declined resulting in lesser income being generated by car park operations during the various phases of MCO due to many offices continue to adopt the work-from-home practices, retrenching staff or closing down. Furthermore, suspension of business activities coupled with shorter operating hours during the various phases of MCO has impacted revenue generation from car park collections. Our challenge is to reorient the empty space in our carpark to generate new revenue stream. Continued from previous year, our cost optimisation plan is to study and redeploy any surplus resources to other business segment.

Outlook

It has definitely been a tough year for most businesses due the unprecedented COVID-19 pandemic and various phases of MCO being implemented continuously. Many have had to transform or reinvent themselves to survive.

Despite the challenging time, car park operation business is still considered resilient and the vehicular traffic for the car park bays under the Group continues to remain stable as the properties in which the car parks are strategically located, remain commercially active and vibrant. The earnings contribution from car park operations is still sustainable through recurring parking fee, such as season parking and hourly based parking and to continue to remain one of the revenue contributors to the Group.

Nonetheless, the national COVID-19 immunisation program is the key for general population returning to normalcy and paving the way for the economic activities recovery. With these positive sentiments arising from the mass vaccination programme, we are confident and positive that our current carpark operating sites are expected to contribute positively to the Group's profitability.

Dividend Policy

The Board of directors does not recommend any dividend for the financial year ended 31 March 2021. The Board of directors has not adopted a dividend payout policy.

SUSTAINABILITY STATEMENT

Sustainability is recognised as a fundamental component in the preservation of the Asian Pac Holdings Berhad's ("Asian Pac" or the "Company") future and has always been entrenched in the core businesses of the Group, comprising those of the Company and its subsidiaries. The Group is pleased to present its Sustainability Statement (this "Statement") for financial year ended 31 March 2021, which addresses what the Board of Directors (the "Board") of Asian Pac Group considers as the material economic, environmental, and social risks and opportunities, also known as sustainability matters, arising from the Group's business operations as well as those impacting the Group's operations, collectively known as the "Material Sustainability Matters", and how these Material Sustainability Matters are managed.

This Statement is prepared in accordance with the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa") and has considered the Sustainability Reporting Guide – 2nd Edition and its accompanying Toolkits issued by Bursa.

Unless otherwise stated, the scope in this Statement includes all the Group's key business segments, namely the Property Development Segment, Mall Operations Segment, and Car Park Operations Segment, which represent the Group's 3 main business segments.

Note that unless otherwise stated, this Statement only covers the Group's three (3) car park operations owned and managed by the Group in KK and does not cover one (1) car park operation in Kepong, and two (2) other car park operations in Kelana Square and Zenith Corporate Park for which the Group provides management services only.

Details of the operations of each segment are available in the "Highlights" Section and the "Management Discussion and Analysis" of this Annual Report FY2021.

Governance Structure

The Group's business sustainability is spearheaded by the Board, who is primarily responsible for the overall sustainability performance of the Group by reviewing and adopting strategies which support long-term value creation taking into account economic, environmental, and social considerations. With Board oversight, sustainability strategies are translated into effective initiatives which are implemented throughout the Group. The Board has delegated the following roles and responsibilities to the Audit and Risk Management Committee:

- Providing oversight on the adequacy and effectiveness of the Group's sustainability management;
- Providing oversight on the adequacy and effectiveness of the Group's reporting processes; and
- Reviewing and ensuring that all material sustainability matters are considered throughout the Group's business operations.

However, the Board still maintains an active oversight function over the Groups economic, environmental and social sustainability initiatives which are the drivers of the Group's 3 main business segments.

As an additional measure to ensure effective implementation of the Group's sustainability initiatives, the Risk Management Working Committee ("RMWC"), which is helmed by key management personnel, has been tasked to assist the Board and ARMC in identifying, assessing, and overseeing the management of the Group's sustainability matters, with specific focus on Material Sustainability Matters, as the Group integrates sustainability into its risk management system. Furthermore, the RMWC is entrusted with the following responsibilities:

- establishment of a sustainability framework;
- reviewing the adequacy of sustainability initiatives and processes;
- ensuring effectiveness in identification, evaluation, management, and reporting of Material Sustainability Matters; and
- monitoring and overseeing all sustainable strategies and initiatives of the Group.

The Managing Director ("MD") prepares the Group to further improve its year-on-year sustainability performance by actively engaging in aspects of governance, policies and procedures, providing sound decision-making and value-added input when needed. The MD also actively participates in the development the Group's sustainability agenda encompassing all aspects of the business and includes addressing issues/shortfalls which were identified in previous years to better enhance the overall business strategy before making a recommendation to the Board.

Materiality Assessment and Stakeholder Engagement

For the financial year under review, the RMWC members, together with relevant Senior Management and Management personnel, performed a review of the Group's materiality assessment, reviewing the Group's sustainability risks and opportunities taking into consideration the views of the Group's stakeholders, both internal and external, as well as Management of the Group's businesses.

In order to obtain an understanding of its stakeholders, the Group has identified and categorised its key stakeholders considering their influence and dependence on the Group's businesses. Amongst others, key stakeholders identified include employees, customers and end-consumers, contractors, consultants and property managers, investors and shareholders, financial institutions and lenders, government agencies, law enforcers and regulators, and the media. With an objective to strategically engage with the Group's key stakeholders, the Group has also reviewed its engagement approaches and methods with each of these key stakeholders. A brief summary of the Group's key stakeholders, currently adopted engagement approaches and methods, and key focus areas with these key stakeholders are summarised as follows:

Key Stakeholder	Key Concerns	Method of Engagement	Frequency of engagement
Employees	Employee benefits & remuneration	Performance Appraisal	Annually
	Career development		
	Work efficiency & effectiveness	ISO 9001:2015 Quality Management Systems	Throughout the year
	Workplace safety and health in relation to the COVID-19 pandemic	OSHA meetings Pandemic response plan Constant briefings and meetings	
	Work life balance	Group Events	
Customers and end consumers (Property Development)	Product Design & Efficiency	Social media surveys	Ad-hoc basis
	Product Pricing	Market surveys	
	Quality and product workmanship	Application software	Throughout the year
	Customer Satisfaction		
	Impact of the COVID-19 pandemic	Enhanced digital media interfacing via social media platforms	
Customers and end consumers (Mall)	Safety and security	Incident reports	Throughout the year
	Customer Satisfaction	Customer surveys Social media engagements Marketing and promotional events Digital campaigns	
	Affordability		
Customers and end consumers (Car Park)	Safety and security	Incident reports	Throughout the year
	Customer Satisfaction	Customer surveys	
Investors and shareholders	Financial Performance	Annual General Meetings Quarterly result announcement	Annually/ Quarterly
	Corporate Governance	Analysis and assurance briefings	Annually
Financial Institutions and lenders	Return on Investment	Engagement sessions through meetings and conferences	Throughout the year
	Financial Performance	Quarterly result announcement	Ad-hoc basis
	Fulfilment of financial obligations		
	Impact of the COVID-19 pandemic	Regular financial performance reviews	Throughout the year
Government Agencies, Law Enforcers and Regulators	Regulatory compliance	Workshops and trainings	Throughout the year
	Corporate Governance	Audits	Ad-hoc basis

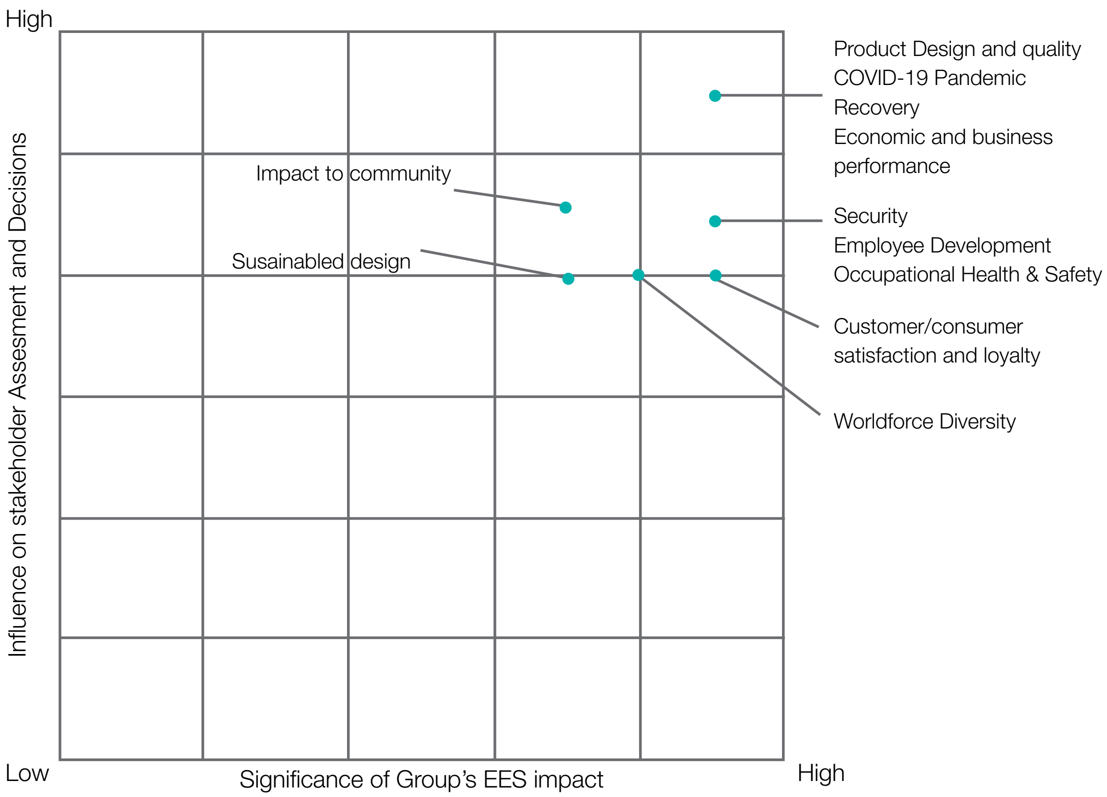
SUSTAINABILITY STATEMENT

The Group's review of its materiality assessment considers the following:

i) the significance of the sustainability matter and its impact in relation to the Group's businesses; and

ii) how substantively the sustainability matter affects key stakeholders' assessments and decisions.

The materiality assessment review was conducted systematically, facilitated via a ratings-based assessment tool, to prioritise the sustainability matters based on their materiality to the Group. The Group's Material Sustainability Matters are presented in the following materiality matrix.



FY2021 Materiality Matrix for Asian Pac Holdings Berhad Group

The identified material sustainability matters are discussed thematically in accordance with the respective segments, as follows:

Theme	Asian Pac Group Material Sustainability Matters	Group-wide	Property Develop-ment	Mall Operations	Car Park Operations
Product and Service Quality	• Product and Service Quality • Customer/ Consumer Satisfaction and Loyalty • Economic and business performance	√			
Sustainable Design and Practices	• Sustainable Design (Environmental and Social)		√	√	√
Safety, Health, and Security	• Security • Occupational Health and Safety • COVID-19 Pandemic Response	√			
Impact on Community	• Impact on Community	√			
Employee – Diversity and Development	• Employee Development • Workforce Diversity	√			

Product and Service Quality

The Group is committed to delivering quality products and services in a timely manner, optimising value creation for the Group's customers and delivering excellence.

Property Development

The Group places emphasis on the quality of its property development projects since the very beginning of the launch of every project. The Construction Industry Development Board (CIDB) has established a Quality Assessment System in Construction (QLASSIC) as a benchmark of workmanship quality of building construction work based on the Construction Industry Standards (CIS).. Stringent quality checks as well as sampling and statistical analysis are performed at all stages of construction and finishing, including testing and commissioning of utilities, external and internal fittings, and aesthetic appeal that are packed in the comfort of a secure and well-built home. Our continuous efforts in value engineering materials used in property development also prove to accentuate our expertise in creating value for our homebuyers through the building of affordable yet quality housing.

Apart from the QLASSIC assessments, the group has also conducted Pre-Delivery Inspections (PDI) which involves inspection of our properties by internal staff prior to handing them over to purchasers, clients and customers. Our in-house staff are required to check and ensure best industry practices are implemented. We learn from the defects of completed projects and pay particular attention to drive continuous improvement during the design stage in future projects.

SUSTAINABILITY STATEMENT

We always target to adhere to our unit delivery schedule and maintain continuous communication with our homebuyers through our sales team on matters pertaining to delivery including updates on progress and to address any of our homebuyers' concerns. We endeavour to resolve all defect liability claims within 30 days from submission.

To this end, we have a process for the systematic reporting and monitoring of project development progress including bi-weekly progress tracking and regular quality checks as discussed above. The Group engages and communicates closely with project contractors to collaborate and work towards achieving quality development. Furthermore, understanding that the capability of contractors is a crucial determining factor for quality products and services, the Group performs stringent assessments and evaluations of its contractors before engaging them and periodically to ensure the contractors engaged meet the expectations of the Group.

Other initiatives the Group has put into practice include a dedicated team in place to oversee the ongoing management and maintenance of the ISO 9001:2015 Quality Management System (QMS). The team identifies, tracks and implements system changes in a timely and consistent manner for the benefit of project teams that use construction materials in their daily operations. Our projects also undergo multiple internal audits to ensure project delivery timelines are met and QMS compliance. All issues are further communicated to the Management Team for their awareness and use in monitoring project performance.

For the financial year under review, Fortune Centra project, which was launched in May 2017 was completed with vacant possession commenced on 1 March 2021. Despite the impact of the COVID-19 pandemic which negatively affected the economy coupled with various phases of MCOs, the project was successfully completed within the targeted timeframe thereby avoiding penalties such as LAD.

Mall Operations

Our mall operations segment operates Imago in Kota Kinabalu, Sabah, which aims to position itself as an experiential mall, delivering quality services and experience at an international level. Our strategies include attracting quality tenants and shoppers to ensure a targeted positioning of the mall.

The mall operations has been certified to meet the standards of ISO 9001: Quality Management System, demonstrating the ability and intention of the team to consistently provide professional quality service that meets international standards. In adhering to the stringent requirements of the standards which are audited on a regular basis by external, independent ISO auditors, we are able to continually monitor and manage quality across our operations to achieve consistent high performance and exceptional services.

The Group monitors a range of performance evaluation and assessment metrics to gauge the continuous performance of the mall, including for the short-term, medium-term and long-term, which include, amongst others, footfall and occupancy rate. Footfall measures the volume of mall visitors while occupancy rate measures the rate of tenant occupancy throughout the mall's lettable units. These performance metrics allows Imago to analyse and strategise its approach towards offering services and events that the shopper community needs and thereby creates shared value for all stakeholders.

Through these surveys and engagements, we keep track of our customers and shoppers' satisfaction and listen to their views, comments, and suggestions. Continuous efforts have been put into maintaining close engagement with our customers and shoppers to enhance their visiting experience at Imago.

The COVID-19 pandemic has significantly affected the mall operations of the Group. Due to multiple government imposed MCOs throughout the financial year under review, revenue contributed from the mall segment has decreased by 41.8% for the financial year ended 2021. As part of our response to the COVID-19 pandemic, we have provided substantial rental reliefs in the financial year ended 2021 and have renegotiated tenancy terms for every tenant to ensure we maintain a pool of quality tenants so that when we emerge from the COVID-19 pandemic, we are in a strategically advantageous position to capitalize on pent-up consumer demand as part of our COVID-19 Pandemic Recovery Plan.

While our mall operations can only operate at very low capacity during the MCOs, we have kept in touch with our consumers digitally. During the COVID-19 pandemic, our Marketing and Communications Team has shifted its focus from organising extravagant events to establishing a strong online presence via social media such as Facebook and Instagram. This allows us to maintain a continuous dialogue with our consumers and keep us engaged with our patrons.

Car Park Operations

The Group owns and operates three (3) car park sites located in KK, Sabah which are open to the general public from retail shoppers to office workers, tenants, and occupants to customers of a neighbouring hospital. The car park rates are regularly being monitored in order to be competitive while generating good revenue and profitability. Two (2) of our car park sites are located in the vicinity of Imago and hence are working closely with the mall operations to support Imago's overall business strategy and direction.

One of the key challenges for maintaining the quality of our car park, specifically our car park in Imago, is the traffic flow of the car park. As Imago is strategically located near a major, busy junction leading towards KK city centre, getting out of the mall during peak hours may become challenging, on top of the ever-increasing traffic volume of KK city. During peak hours, personnel are stationed at the key road exit point to direct and regulate traffic to facilitate smooth and safe traffic of visitors exiting Imago.

KK remains to be a fast growing city in Malaysia and that has led to continuous expansion of the city's traffic volume. Imago will continue to maintain close engagement with the relevant authorities and professionals to improve the traffic conditions surrounding Imago and its car parks.

The Group also operates two (2) more car park sites in the Klang Valley which is also opened to the general public. This signifies the Group's expansion plan into car park operations and gives us a strong foundation to build upon within the KV. We have successfully obtained our ISO 9001:2015 certification which bolsters the marketability of our car park operation services to prospective business partners.

In order to create a more comfortable and secure environment for users, we only use LED lights in all our car parks. The LED light initiatives have been successfully implemented for all our car park operations, creating a comfortable environment for our car park users while achieving better energy efficiency, as well as creating better value creation for the resources we utilise. Further details on the energy efficiency aspects of the initiatives are set out in **Sustainable Design and Practices** below.

The COVID-19 pandemic has significantly affected the car park operations of the Group. Due to multiple MCOs and stringent lockdowns on various economic sectors throughout the financial year under review, revenue contributed from the car park operations segment has decreased significantly by 30.7% in the financial year ended 2021, mainly due to lower footfall across all commercial segments.

As part of our response to the COVID-19 pandemic, we have taken steps to ensure that our main commercial hub (i.e. Imago maintains a good mix of tenants so that we can capitalise on an influx of car park users when the commercial activities resume. We have also elected not to alter our parking rates so that we remain competitive within the segment.

SUSTAINABILITY STATEMENT

Sustainable Design and Practices

The Group integrates environmental and social considerations into its company strategy as the Group believes that the balanced harmony between the environment, society, and the Group's businesses, be it property units, mall, property management or car park operations, helps to create long-term value. As part of the Group's commitment to developing a more environmentally friendly and conducive work environment, a work from home policy and various environmentally friendly business requirements have been implemented to reduce the Group's overall carbon footprint. The reduction in the Group's overall energy consumption is depicted in the table below:

RM' million	FY2019	FY2020	FY2021
Property Development	0.1	0.1	0.1
Mall Operations	13.0	13.4	8.4
Car Park Management	0.4	0.5	0.4
Total	13.5	14.0	8.9

Property Development

The Group aims to build sustainable green buildings by considering how environmental and social impacts can be reduced. The Group is diligent in the selection of building materials, placing emphasis on environmentally friendly building materials, such as using Volatile Organic Compound ("VOC")-free paint and aluminium formwork. VOC-free paint produces less harmful organic emission and contributes to better indoor air quality in home units, enabling safer and healthier environment for occupants. See further details on VOC-free paint in **Safety, Health, and Security** Section of this Statement. On the other hand, the use of aluminium formwork aims to reduce construction waste produced from using timber formwork which commonly has a much lower reusability. Aluminium formwork also enables better finishing quality and construction accuracy, elevating the capability of the Group to develop quality housing and properties.

Sustainability from the aspects of environmental and social impacts is considered from design to construction. Such considerations are made from the beginning of the conceptualisation of project ideas, which also takes into account economic conditions and demographics, and are carried out through close engagement and collaboration with our architects, quantity surveyors, contractors, and professionals engaged for the projects. The implementation and performance of sustainability initiatives and designs also form part of the focus of the bi-weekly progress tracking of projects.

The Group's projects incorporate sustainable designs and practices and it also works towards obtaining Green Building Index ("GBI") Certification for some of its projects. GBI is an industry recognised rating tool widely used in Malaysia to assess sustainable development. The assessment criteria used in for GBI Certification include, amongst others, energy efficiency, indoor environmental quality, sustainable site planning and management, materials and resources use, water efficiency and innovation.

Our latest completed project Fortune Centra features a series of sustainably designs and technology which aims to, amongst others, enable efficient use of resources, such as water efficient landscaping and water efficient fittings to reduce water use and wastage and also regenerative drive lifts which reduce the electricity consumption as compared to conventional lift technologies.

Mall Operations

Inclusion

Imago aims to serve as an experiential mall that is inclusive and caters to all. Working together with the local authorities, we have designated disabled-friendly access for everyone to have access to our mall through our Ground Floor entrance. Imago is designed to be a family-friendly mall. We have in place a modern nursery room complete with potable hot water, diaper changing facilities, private nursing rooms and waiting lounge for fathers. This is in support of breastfeeding mothers and provide them with a clean, safe and secure environment. It also has family toilets which provide better convenience for parents bringing their kids to toilets.

With our tenants in mind, we have also established a Workers' Rest Area for our tenants and their staff. This is an initiative taken in the interest of our stakeholders where tenants and staff now have a place to rest during breaks and have meals. The resting area is equipped with microwaves, water dispensers, and wash basins. Cognisant of the fact that we have a diverse community with different religious beliefs, we have also provided halal and non-halal microwaves.

Environment

Imago has been certified with ISO 14001: Environmental Management System ("EMS") during the financial year. EMS enables operations to systematically consider and manage the Group's environmental responsibilities, impacts, and performance. The pursuit of the certification is a commitment of our belief in creating environmentally sustainable operations despite the delay caused by COVID-19 pandemic in 2019.

Imago is supportive of recycling programs and has implemented a few recycling programs during the financial year under review, such as the recycling of carton boxes. During the financial year under review, we have collected and recycled approximately 31,200 kg of carton boxes to certified recycling company, contributing to the preservation of limited resources and creating less waste.

In addition, we also have put in place processes to ensure scheduled waste is disposed of properly via licensed contractors.

Conserving Resources

Our operation in Imago actively seeks ways to reduce the consumption of resources, such as electricity, water, and gas. Electricity and energy represent a significant portion of Imago's operating cost as well as resource consumption. At Imago, the mall's lighting and air-conditioning systems are managed via a Building Automation System ("BAS") which is a computerised system for the centralised management of Imago mall environment, such as lighting, air-conditioning, ventilation, etc. BAS facilitates our monitoring of Imago's energy consumption trends and patterns, which enables us to identify opportunities to enhance energy efficiency or energy saving. Besides, Imago has also established an Energy Audit Committee which is guided by a clear and objective policy that intends to drive further energy-saving initiatives not only in the mall but equally in Imago's office environment as part of a joint-effort by everyone to bear their own environmental responsibilities.

Actives steps have been taken to promote more efficient use of resources. Some examples include, using automatic sensor taps and flush systems in washrooms to reduce water usage, fine-tuning chillers to optimise comfort against electrical consumption, installing hand dryers to reduce the use of paper towels, installing door stoppers to minimise loss of air-conditioning and converting escalators to include motion-sensors to reduce use of electricity and mechanical wear and tear.

The mall also actively supports environmental causes indirectly such as sponsoring venue spaces for the local branch of World Wildlife Funds ("WWF") and observing Earth Hour, an initiative by WWF, on the last Saturday of every March on a yearly basis to switch off non-essential lights for a minimum of one hour and we also encourage our tenants to participate.

Car Park Operations

Electricity cost is also one of the most significant operating expenses of the Group's car park operations. In addition, we are aware that local electricity is mainly sourced from carbon-based fuel such as gas or diesel. As such, in view of enhancing better energy efficiency as well as preserving the environment and resources, we had during the past few years embarked on a journey to invest into energy efficiency initiatives which aim to achieve positive impact from both economic and environmental perspectives.

We are happy to report that our investment in energy efficiency for our car park operations has produced the following returns:

i) **improvement in lighting quality** – Generally, we have experienced a notable improvement in the lighting quality of our car parks. This includes have a brightly illuminated car park environment which provides for better security and more comfortable parking experience, especially in our Imago car park which was previously rather dim due to several faulty lighting systems;

ii) **lower maintenance and replacement cost moving forward** – LED lights generally have much longer lifespan than other lighting systems, including fluorescent lamps which we had previously used, and with our car parks fitted with LED lights we are expecting significantly lower maintenance and replacement expenses moving forward;

iii) **cost-savings and greater energy efficiency** – LED lighting system is a more energy-efficient lighting system than the previously used fluorescent lighting system. Generally, we have also seen relatively lower electricity consumption in some parts of our car park operations, contributing to some cost-savings and more efficient use of resources.

Our car park operations has achieved certification of ISO Integrated Management System certification which will include ISO 14001: Environmental Management System ("EMS").

As part of our commitment to ISO 14001, our teams from both our mall and car park operations continuously source for local materials, suppliers, and contractors where possible, to reduce potential transportation as well as to promote local economic growth. Other efforts include actively monitoring the energy management and waste management efforts of both operations to explore process improvements to achieve a low carbon and waste generation.

Safety, Health and Security

The wellbeing of our stakeholders, such as our employees, contractors, customers, shoppers, etc., are of utmost importance to us as a socially responsible business. It is therefore important to ensure people, such as employees working with us, shoppers at our mall, consumers in our car parks, our homebuyers, etc., are provided with a safe and healthy environment when they are at our property.

As part of the Group's commitment to the safety, health and security of its stakeholders in combatting the COVID-19 pandemic, we have spent approximately RM137,000 on face masks, sanitizers, sanitization services, testing etc. for the financial period under review. The Group has also partaken in the following events and initiatives to solidify its commitment to the safety, health and security of its stakeholders and curbing the impact of the COVID-19 pandemic:

i) Distributing face masks to the public using Imago as the platform for distribution;
ii) Supplying all employees with a constant supply of face masks;
iii) Placing sanitizers at strategic locations throughout the Group's various business premises;
iv) Increasing the frequency of sanitization of the Group's various business premises;
v) Promoting and advocating good hygiene practices within the Group's various business premises; and
vi) Organising on-site COVID-19 testing.

SUSTAINABILITY STATEMENT

Property Development

We are aware that the Group's product has a direct impact on the safety and health of our homebuyers and tenants of our property units as they live and stay in the Group's development. As previously discussed, the Group takes into account environmental and social aspects beginning from the design process of a property development project and that includes ensuring compliance with national and local design and building safety standards and codes, including, amongst others, the Uniform Building By-Laws 1984 and the Occupational Safety and Health Act 1994.

Furthermore, we also place particular emphasis on indoor air quality which affects the health of occupants staying in the property units. It is common that indoor air quality may be found to be worse than outdoor air quality due to emission of hazardous chemical from paint or glue used in wall fishing, flooring, and even furniture. The Group is careful in its selection of materials used as interior finishing so as to provide healthier and safer indoor air quality through its property units. Paint is widely used as a finishing in our property units and we are conscious of the health risk of using paint with high levels of VOC which may cause symptoms such as headaches and dizziness as well as long-term negative impacts on the human body when exposed to it in the long term. In order to address this, the Group has established a policy to use only VOC-free paint in its property development projects.

The construction of our property development projects is undertaken by contractors and subcontractors. Nevertheless, we perform stringent assessments on the selection of our contractors/ subcontractors and require them to ensure compliance with the law and regulations, especially pertaining to workers safety and public safety such as ensuring contractors and their workers have valid CIDB Green Cards.

Occupational and product safety and health in the property development segment is communicated throughout our engagement with the relevant stakeholders, such as consultant, architects, and contractors. Regular quality checks conducted by the Group also consider if building safety standards and codes are met and if materials used are in accordance with those specified by the Group. In addition to that, contractors' performance of their management of occupational safety and health risk during construction is required to be reported in the bi-weekly progress tracking reports.

Mall Operations

As a publicly accessible destination, Imago can be highly susceptible to safety and security risks. Being aware of this, we have collaborated with the Royal Malaysia Police to open a Police Beat Office within the mall premise. This does not only serve as a local contact point with the police force for the local community, but it also creates an additional window for tourists in the mall to make inquiries. We believe that the collaboration provides added security to our shoppers and tourists and allows them to have their activities around Imago with a greater sense of security.

Our security team undergoes regular drills and training, preparing them to respond to various sorts of emergency situation. The financial year under review also saw our security team undergoing training relating to being an effective security officer, emergency evacuation, firefighting, basic first aid, emergency response and management, etc. The training provided enables our security team to be familiar with the standard policies and procedures to, amongst others, deal with various sorts of safety, security, or emergency situations to create a safe environment for our employees, our tenants, and our customers.

We are also in the process of building our auxiliary police force with our security team which will allow our team to undergo security training according to Royal Malaysia Police standards. With our own auxiliary police force, we will be able to further enhance the robustness of our mall security.

Furthermore, regular fire drills in collaboration with the local Fire Department (BOMBA) are conducted along with emergency-response drills that encourage the participation of tenants and their workers to ensure that they are knowledgeable with basic safety and emergency responses.

SUSTAINABILITY STATEMENT

Car Park Operations

The disclosure of this section generally covers all our car park operations, i.e. those owned and managed by the Group in KK and Kepong and those managed by the Group at Kelana Square and Zenith Corporate Park, unless specifically stated otherwise.

Similarly, to maintain a secure car park environment, we have put in efforts to enhance and upgrade the lightings of our car parks and maintain regular patrolling of the car parks by our internal security teams.

For our car park operations in KK, the currently enhanced lighting conditions of our car parks provide a more comfortable and secure environment for users. In addition to that, our car parks are equipped with panic buttons at appropriate locations and we also have designated ladies-only parking spots in Imago.

Further details on the implementation progress for the upgrading of lightings are set out in **Sustainable Design and Practices** above.

Impact on Community

Property Development

The Group recognises the impact it may cause to the surrounding community of its project sites and buyers of the property. One of the more significant impacts of the Group's property development activities is the nuisance created by the construction activities to the local community, which may include dust and noise pollution.

To address this, the Group, through its contractors/ subcontractors, has undertaken various efforts to minimise the impact, including regular cleaning of the construction site with water and constant reminders to truck drivers to reduce and limit the speed of their vehicles on site. We also require our contractors/ subcontractors to perform work strictly in accordance with the regulations and guidelines of the authorities, including working within the permitted hours to prevent disruption of the livelihood of the surrounding community.

At the same time, the Group also works closely with the authorities and obtains feedback and complaints from representatives of the community to address any arising issues.

Where waste management is concerned, at the construction site, the Group takes measures to reduce and manage wastes in a responsible manner by ensuring appointed licensed contractors adhere to the same. Besides installing silt traps to minimise site pollution, all wastes generated from project sites are either recycled for reuse or transported to designated disposal sites timely and efficiently to minimise disruption to the daily lives of the community.

During the financial year under review, apart from issues pertaining to nuisance on which the Group had worked on resolving with authorities and the community, the Group had not received any other significant complaints on negative impacts arising from the Group's property development activities.

Mall Operations

Imago encourages the development of businesses by locals in order to promote development of economy at the local business community level, which leads to generation of local wealth that hopefully will subsequently circulate within the local community and elevates local livelihood quality to an international standard. It is also with this intention we have created "Heritage", which is a food and beverage section where local food hawkers have a chance to be part of the modern retail environment.

In support of local businesses, our tenanting strategy considers a mix of luxury and bridge brands and national and local brands. As at 31 March 2021, our tenant mix, in terms of retail space, comprises the following:

	Tenant Mix Percentage
International Brands	27%
National Brands, apart from Sabah Brand	61%
Sabah Brands	12%

SUSTAINABILITY STATEMENT

We view Imago as a destination that brings people together, including bringing family members closer together, bringing in tourists from different countries and cultural background as well as introducing and promoting local cultures to the international communities.

Imago incorporates local and regional celebrations and festivities, such as Pesta Kaamatan (Harvest Festival), permanently into its events calendar. At our own cost, we have also introduced a permanent local cultural dance program performed by locals which run daily to introduce local cultures to shoppers in the mall, which include international tourists from countries such as China and South Korea, thereby introducing the culture of local indigenous people to the world.

Through our events at Imago mall, we celebrate local cultures and festivals together with our customers from local and overseas. Furthermore, we reach out to the community via a hybrid of platforms including online and social media as well as physical event space.

For the financial year under review, we focussed on helping those in the community who were largely affected by the COVID-19 pandemic. As such, we hired individuals who were negatively affected by the pandemic within the tourism industry to perform part-time work at Imago. We also organized a COVID-19 pandemic. As part of our social responsibility in combatting the COVID-19 pandemic, we also used Imago to provide food and supplies to frontline workers.

Employee Diversity and Development

The Group is supportive of equal opportunity and believes in meritocracy. In considering candidates for hiring and assessment of current employees, it does not discriminate on the basis of background, gender or race.

Details of the Group's employment statistics are set out in the following table.

	31 March 2020			31 March 2021		
	Management	Non-Management	Total	Management	Non-Management	Total
Local	20	321	341	21	321	342
Foreign	0	0	0	0	0	0
Male	17	222	239	18	220	238
Female	3	99	102	3	101	104
≤ 30 y.o.	0	138	138	0	125	125
30 y.o. < x ≤ 50 y.o.	13	162	175	13	174	187
> 50 y.o.	7	21	28	8	22	30
Total number of the Group's employees	**341**			**342**		

During the financial year under review, the Group has seen a slight 0.3% increase in its workforce due to expanded business activities across the Group's businesses. A significant portion of the Group's workforce is based in Sabah, which has a population with rich and blended cultural backgrounds. The Group does not actively identify or group its workforce by ethnicity or cultural background. The Group's merits-based approach towards employment has helped to provide equal opportunities to all and has helped to build a diverse workforce reflecting the rich cultural diversity of the local demographics, creating an opportunity for the transfer of not only knowledge and experience but also of culture and tradition.

Imago itself has created more than 2,000 job opportunities for the local community, including those employed by the Group and job opportunities across Imago's value chain, such as in the businesses of Imago's tenants. With non-stratified retail management being a relatively new concept in Sabah pioneered by Imago, the operation workforce is generally young with a good spread from fresh graduates to experienced seniors.

SUSTAINABILITY STATEMENT

The Group is mindful of the need to constantly upskills its workforce and treat its employees fairly by providing equal opportunities to all for personal and career enhancement. The Group identifies the talents and skills required to drive the Group toward meeting its corporate objectives, and at the same time, it engages with employees to identify whether such talents and skills need further enhancement within its workforce. The Group continuously invests in developing employees from all aspects including functional development, leadership, soft skills, occupational safety and health, and development of relevant laws and applications.

For the financial year under review, employee training was sparse due to the impact of the COVID-19 pandemic. Despite the temporary cessation of externally based employee training programs, employee development continued through on the job training.

The Group also recognises the value of dedicated and long-serving employees, acknowledging that their dedication, loyalty, and contribution throughout the years have made the Group what it is today. The Group provides financial incentives to reward long-serving employees for completing 10 years of service within the Group and subsequently every five (5) years thereafter. For the financial year ended 31 March 2021, the Group presented 9 employees who have been with the Group for 10 years or more with its Long Service Award.

COVID-19 Pandemic Response and Recovery

In response to managing business operations in the midst of COVID-19 pandemic, the Group's businesses are guided by the applicable and relevant instructions of the federal and state governments, including pertaining to MCO of various degrees and putting in place standard operating procedures to detect COVID-19 symptoms in visitors and employees as well as to practice social distancing measures to minimise the risk of spreading of disease.

In general, contractors are required to adhere to government instructions and implement applicable standard operating procedures at the construction site. As for the Mall Operations, Car Park Operations and Property Management Segments, temperature checks are conducted at entrances before anyone enters Imago or the car parks.

For the financial year under review, the Group's COVID-19 Pandemic Response and Recovery Actions are as follows:

Business Segment	COVID-19 Pandemic Response and Recovery Actions	
	Across all Business Segments	For Specific Business Segments
Property Development	• Contact tracing; • Temperature checks; • Providing of masks and sanitizers at the business premises; and • Adhering to physical distancing protocols.	• Scheduling PDIs to limit the number of defects and in turn reduce the amount of physical contact with stakeholders; • Limiting the number of scheduled vacant possession performed on a daily basis to reduce the amount of physical contact with stakeholders; • Digitisation of stakeholder engagement through system software applications to control the amount of external contact for rectification of defects; and • Active tracking of defect rectifications using system software applications to deliver efficient and outstanding product after-sales service;

SUSTAINABILITY STATEMENT

Business Segment	COVID-19 Pandemic Response and Recovery Actions	
	Across all Business Segments	For Specific Business Segments
Mall Operations		• Revising of tenant operating hours to provide financial relief for tenants; • Extra frequency of sanitisation efforts of high risk areas; • Limiting delivery time windows to minimise external contact; • Renegotiation of tenancy terms and conditions for choice tenants to ensure completion and renewals of tenancies; • Digitisation of stakeholder engagement events and awarding cash vouchers in an effort to build a strong online presence and ensure relevance within the industry; • Active participation in virtual fundraising activities for local stakeholders to ensure stakeholder loyalty can be capitalised on.
Car Park Operations		• High level automation of parking systems to cashless system such as Touch N Go to enhance safety and hygiene and create environmental sustainability by using less printed paper tickets; and • Maintaining parking rates to ensure competitiveness within the industry;

The Group's COVID-19 Pandemic Response and Recovery action are driven by key sustainability initiatives which give significant consideration to the organic growth and sustainability in the long term to stakeholders. The Group is constantly in compliance with and adapting to new regulations which have been imposed by the government under challenging market conditions as a result of the COVID-19 pandemic.

Sustaining Our Future

It is more important than ever that, in the environment and society that we live in today, we conduct our business sustainably, take care of our economy, our environment, and our society and people. The Board, via the Group's established processes for managing the business sustainably, will continue to provide leadership to steer the Group to achieving sustainable growth and creating shared value to its stakeholders.

CORPORATE INFORMATION

Board Of Directors

Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas
Chairman/Independent Non-Executive Director

Dato' Mustapha Bin Buang
Managing Director

Datuk Mohamed Salleh Bin Bajuri
Independent Non-Executive Director

Ms Tan Siew Poh
Non-Independent Non-Executive Director

Dr Yu Tat Loong
Executive Director

Ms Soon Dee Hwee
Independent Non-Executive Director

Mr Sherman Lam Yuen Suen
Independent Non-Executive Director

Audit & Risk Management Committee

Datuk Mohamed Salleh Bin Bajuri
(Chairman)
Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas
Ms Tan Siew Poh
Ms Soon Dee Hwee
Mr Sherman Lam Yuen Suen

Nomination Committee

Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas
(Chairman)
Ms Tan Siew Poh
Ms Soon Dee Hwee

Remuneration Committee

Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas
(Chairman)
Ms Soon Dee Hwee
Ms Tan Siew Poh

Secretaries

Ms Chan Yoon Mun, ACIS
MAICSA 0927219/SSM PC No: 202008000391
Ms Ooi Mei Ying, ACIS
MAICSA 7051036/SSM PC No: 202008000797

Auditors

Ernst & Young PLT
Level 23A, Menara Milenium
Jalan Damanlela, Pusat Bandar Damansara
50490 Kuala Lumpur

Registered Office

12th Floor, Menara SMI
No. 6, Lorong P. Ramlee
50250 Kuala Lumpur
Tel No: 03-2786 3388
Fax No: 03-2786 3386
Website: www.asianpac.com.my

Share Registrar

Tricor Investor and Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South, No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel No : 03-2783 9299
Fax No : 03-2783 9222

Principal Bankers

Affin Islamic Bank Berhad
RHB Bank Berhad

Stock Exchange Listing

Main Market of Bursa Malaysia Securities Berhad
Stock Name: ASIAPAC
Stock Code: 4057

DIRECTORS' PROFILES

TAN SRI DATO' SERI HJ MEGAT NAJMUDDIN BIN DATUK SERI DR HJ MEGAT KHAS

Chairman/Independent Non-Executive Director

Nationality	: Malaysian
Age/Gender	: 77/Male
Date of Appointment	: 19 October 1994

Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas was appointed as a Non-Executive Director and Chairman of the Company on 19 October 1994. He is an Independent Director and serves as the Chairman of the Nomination and Remuneration Committees of the Company.

He holds an Honours Degree in Law from the University of Singapore. He was a lawyer by profession and practiced for 14 years until 1986 when he went into full time politics. He was formerly the State Assemblyman of Kelana Jaya, Selangor for two terms (1986 – 1990 and 1990 – 1995).

He was appointed Executive Committee Member of the Federation of Public Listed Companies Berhad (FPLC) in August 1994 and elected President in October 1997. He represents this organization to the High Finance Committee of the Ministry of Finance. Further, he was also one of the first members of the Management Committee of the Malaysian Institute of Corporate Governance, and was elected President in April 1998 till 2015 and currently its Honorary Patron. In addition, he was appointed as a member of the National Economic Consultative Council 2 (NECC 2) by the then Prime Minister, where he was involved in the Human Resource Development Committee. In September 1999, he was appointed to the Capital Market Strategic Committee by the then Finance Minister and in August 2001, he was appointed as a member of the Corporate Debt Restructuring Committee (CDRC) of Bank Negara. He was on the Listing Committee of the then KLSE for nearly ten (10) years. He was member of the Advisory Board of the Malaysian Anti-Corruption Commission ("MACC").

He sits as trustee for three (3) charitable foundations, namely, Mykasih (Charity) Foundation, Tan Sri Muhyiddin Charity Golf Foundation and the Vijayaratnam Foundation. He also sits as trustee for Quest International University Perak.

Tan Sri Dato' Seri Hj Megat Najmuddin also holds directorship in SEG International Bhd and Sime Darby Plantation Berhad. He is the chairman of the said both listed entities.

Tan Sri Dato' Seri Hj Megat Najmuddin attended all four (4) board meetings which were held in the financial year ended 31 March 2021.

DATO' MUSTAPHA BIN BUANG

Managing Director

Nationality	: Malaysian
Age/Gender	: 73/Male
Date of Appointment	: 14 October 1994

Dato' Mustapha Bin Buang is the Managing Director of the Company. He first joined the Board as a Non-Executive Director on 14 October 1994.

He holds a degree in Economics from University Malaya. After graduation in 1972, he joined the Johore State Government as an Economic Planner. He then joined the finance industry from the year 1974 holding senior management position and gathered 16 years experiences in the finance sector. Besides, he holds directorships in several private limited companies, he was Deputy President of Tan Sri Muhyiddin Charity Golf Foundation since 2006 until 2013. Presently, he sits as Committee Member of Board of Trustee of Tan Sri Muhyiddin Charity Golf Foundation since 2010 and also sits as Trustee/Board of Yayasan Nurul Yaqeen since January 2005.

Currently, he is the Chairman of Bank Pertanian Malaysia Berhad.

Dato' Mustapha attended all the four (4) board meetings which were held in the financial year ended 31 March 2021.

DIRECTORS' PROFILES

DATUK MOHAMED SALLEH BIN BAJURI

Independent Non-Executive Director

Nationality	**: Malaysian**
Age/Gender	**: 70/Male**
Date of Appointment	**: 1 March 2019**

Datuk Mohamed Salleh Bin Bajuri was appointed as an Independent Non-Executive Director of the Company on 1 March 2019. He is also the Chairman of the Audit and Risk Management Committee of the Company.

He obtained his Chartered Accountant qualification from the Institute of Chartered Accountants, Ireland in 1978.

He began his career in Malaysia in 1978 with Peat Marwick & Co. as Senior Audit. In 1979, he joined Mayban Finance Berhad as Manager and was later promoted to General Manager in 1982. He was then promoted to General Manager of Malayan Banking Berhad in 1988 and worked in this position until 1992. Upon resigning from Maybank in 1992, he was appointed as Managing Director of JB Securities Sdn Bhd, a stockbroking firm which he was one of the founder members. After disposing of his equity stake in the said stockbroking firm in 1995, he joined a property development and property management company - CRSC Holdings Berhad as an Executive Director. Presently, he holds the position of Deputy Chairman of CRSC Group of Companies.

In the past, Datuk Salleh had served the society/body as follows:

- Alternate Chairman of the Association of Finance Companies in Malaysia (AFCM) from 1982 to 1987;
- Chairman of the AFCM Committees for Education and Public Relations from 1982 to 1987;
- Director of Saham Sabah Berhad from 1997 to 1999;
- Trustee for Tabung Anak-Anak Melayu Pontian from 1995 to 2006;
- Yayasan Kebajikan SDARA from 1997 to 2002; and
- Chairman of Agro Bank Malaysia from 2008 until June 2010.

Currently, he is the Vice President of Tan Sri Muhyiddin Charity Golf Foundation, Trustee for Tan Sri Muhyiddin Charity Golf Foundation and Trustee for Yayasan Nurul Yaqeen. He is also a Director of Eden Inc. Berhad and Inch Kenneth Kajang Rubber Public Limited Company, all public companies listed on Bursa Malaysia Securities Berhad.

Datuk Salleh attended all four (4) board meetings for the financial year ended 31 March 2021.

DIRECTORS' PROFILES

DR YU TAT LOONG
Executive Director

Nationality : Malaysian
Age/Gender : 45/Male
Date of Appointment : 28 May 2013

Dr Yu Tat Loong was appointed to the Board of the Company as Executive Director on 28 May 2013.

Dr. Yu first graduated with a Bachelor in Engineering (BEng) in Civil Engineering from the University of Bath, England, before proceeding directly to obtain his Doctorate of Philosophy (PhD) from University of Cardiff, Wales, with his postgraduate research on optimisation of aerospace structures using heuristic algorithms. He is a member of The Royal Institution of Chartered Surveyors (MRICS) as well as a member of The Institute of Enterprise Risk Practitioners (INSTERP) and is a certified Enterprise Risk Manager (ERM) specialising in the practice of risk management in organisations.

He has over 15 years of professional experience in real estate development and management projects in China and Malaysia, and possesses vast experience in design, planning and construction of real estate. He also has overall operational management experience in leasing, marketing, and facility management of retail, commercial, hospitality and car parks. He currently manages assets in current value worth more than USD1.0 billion combined. He has also successfully achieved ISO 9001 Quality Management Standard certifications for operations, winning several International Property Award (IPA) for real estate developments, amongst others various accolades.

Dr. Yu attended all four (4) board meetings which were held in the financial year ended 31 March 2021.

MS TAN SIEW POH
Non-Independent
Non-Executive Director

Nationality : Malaysian
Age/Gender : 58/Female
Date of Appointment : 18 March 2008

Ms Tan Siew Poh was appointed to the Board of the Company as Non-Independent and Non-Executive Director on 18 March 2008. She is also a member of the Audit and Risk Management Committee, Nomination and Remuneration Committees of the Company.

Ms Tan graduated from the University of Melbourne, Australia with a Bachelor of Commerce majoring in Accounting and Economics and is a Certified Practising Accountant. She is a member of the CPA Australia and Malaysia Institute of Accountants. Ms Tan commenced her career with Prudential Assurance Berhad for about three years in the Investment Division before moving on to join the Corporate Finance Division in Asian International Merchant Bankers Berhad in 1990. Ms Tan then joined Rashid Hussein Securities Sdn Bhd in 1993 and last held the position of Assistant General Manager of Corporate Finance, before moving on to oversee the Corporate Planning Division of the group in 1996. Presently, she is also a director of South Malaysia Industries Berhad.

Ms Tan attended all four (4) board meetings which were held in the financial year ended 31 March 2020.

Ms Tan has expressed her intention not to seek for re-election at the forthcoming 103rd Annual General Meeting and hence, she will cease to act as a Director of the Company at the close of the said meeting.

DIRECTORS' PROFILES

MS SOON DEE HWEE
Independent Non-Executive Director

Nationality : **Malaysian**
Age/Gender : **60/Female**
Date of Appointment : **23 January 2017**

Ms Soon Dee Hwee was appointed to the Board of the Company as Independent Non-Executive Director on 23 January 2017. She is also a member of Audit and Risk Management Committee, Nomination and Remuneration Committees of the Company.

She has more than 20 years of extensive experience in corporate finance where she had been attached to Bumiputra Merchant Bankers Berhad, Alliance Investment Bank Berhad and Hwang DBS Investment Bank Berhad. Prior to that she was in the auditing field attached to Messrs. Hanafiah Raslan & Mohd and subsequently Messrs. KPMG. She is currently the Senior Vice President of HDM Capital Sdn Bhd.

Presently, she is also a director of Prudential Assurance Malaysia Berhad and Mynews Holdings Berhad. Mynews Holdings Berhad is a public company listed on Bursa Malaysia Securities Berhad.

Ms Soon attended all four (4) board meetings which were held in the financial year ended 31 March 2021.

MR SHERMAN LAM YUEN SUEN
Independent Non-Executive Director

Nationality : **Malaysian**
Age/Gender : **48/Male**
Date of Appointment : **2 January 2019**

Mr Sherman Lam Yuen Suen was appointed to the Board of the Company as an Independent Non-Executive Director on 2 January 2019. He is also a member of Audit and Risk Management Committee of the Company.

Sherman started his career with Fulton Prebon (M) Sdn Bhd, a financial services subsidiary of Seacorp (a PNB company) in 1994. Thereafter, he joined Utama Merchant Bank Berhad, (an investment bank jointly owned by Utama Banking Group Berhad and HSBC Investment Bank Asia Ltd) in 1997, as its Chief Dealer and Treasury Manager. In 2000, he joined Nikkei Pacific Corporate Advisors, a regional corporate finance advisory firm as an Associate Director where he advised on several large corporate restructuring and capital raising exercises in Indonesia and Malaysia. Currently, he is the Managing Director of Cirrus Ventures, a private equity and strategy consulting firm operating in the APAC region. Sherman has previously served on the Board of Directors of Bintai Kinden Corporation Berhad from 2010 to 2013, as an Independent Non-Executive Director and Member of the Audit Committee and Nomination Committee.

Sherman holds a Master's Degree in Business Administration (Finance) from Charles Sturt University, Australia. He is a Chartered Accountant of the Malaysian Institute of Accountants, a Fellow of the Chartered Institute of Management Accountants of UK, a Fellow of CPA Australia, a Fellow of the Institute of Public Accountants Australia, a Chartered Member of the Institute of Internal Auditors Malaysia and a CFP™ certified member of the Financial Planning Association of Malaysia.

Mr. Sherman also holds directorship in Hiap Teck Venture Berhad and Gadang Holdings Berhad, all public companies listed on Bursa Securities Malaysia Berhad.

Mr. Sherman attended all four (4) board meetings for the financial year ended 31 March 2021.

SENIOR MANAGEMENT'S **PROFILES**

MR CHANG TZE YOONG

Senior General Manager, Property Division

Nationality	**: Malaysian**
Age/Gender	**: 44/Male**

Mr Chang Tze Yoong has 20 years of experience in the property development industry. He holds a Master's Degree in Business Administration (International Business) from the University Putra Malaysia and a Bachelor's degree in Civil and Structural Engineering from the National University of Malaysia. He began his professional career as an engineer involved with the 600ac township development of Pantai Sepang Putra. He was also the Unit Profit Centre Manager in the Property Development Division of Sunway Berhad which he worked for 11 years. Over the course of his career, he was involved in property development projects ranging from master planned townships and integrated developments with retail, commercial and residential. Prior to joining Asian Pac Group in August 2018 as the Senior General Manager, Property Division, he served as the Head, Project Technical of Mah Sing Group Berhad for 2 years.

MR LOH KAH VOON

General Manager, Project Division

Nationality	**: Malaysian**
Age/Gender	**: 51/Male**

Mr Loh Kah Voon has 25 years of experience in the property development industry in Malaysia and China market. He holds a Bachelor's degree in Civil and Structural Engineering from University of Malaya. He began his professional career as civil and structure design engineer for more than 5 years and later he was responsible for the entire site management of the 468ac township development at Taman Putra Prima as Site Engineer for 2 years. He was also the Project Manager for the development of high-end semi-detached houses, bungalows and condominiums project for Plenitude Group for around 4 years. Prior to joining Asian Pac Group in December 2020 as General Manager, Project Division, he served as the Project Director and General Manager for a few developments in China for a duration more than 10 years. The developments he involved in China were 13 acres of prestige residential development at Shanghai under Wing Tai Asia Group, 27 acres mixed development at Shenyang and 33 acres of landed houses and high-rise condominiums development at Sino-Singapore Tianjin Eco City under Keppel Group.

MR WONG YEE KEAN (KEN)

Financial Controller

Nationality	**: Malaysian**
Age/Gender	**: 48/Male**

Mr Ken Wong is the Financial Controller, heading the Finance Division of Asian Pac Group. He joined the Group in August 2010 as an Assistant General Manager in the Corporate Planning Division. He was later transferred to the current post in March 2014. He has over 10 years of professional experiences in corporate finance and advisory as well as financial accounting, which include debts restructuring, group reorganisation, mergers & acquisitions, equity and bond issues, distressed assets management, project evaluations and investigative audit for losses.

He is a member of the Malaysian Institute of Accountants, fellow member of the Association of Chartered Certified Accountants and a charterholder of Chartered Financial Analyst.

SENIOR MANAGEMENT'S PROFILE

MR TANG FOH KIONG (GARREN)
General Manager, Facility Services Management

Nationality : **Malaysian**
Age/Gender : **64/Male**

Mr Garren Tang has over 18 years of experience in Facility Management Services that includes; Property, Facility and Car Park Management Services for Grade A Integrated Developments, Premium Commercial Buildings with MSC & LEED Status and Centre Management for Premium Shopping, Retailing & Digital ICT Malls.

He is currently the General Manager of Facility Services Management and his portfolios covers both the Property Management Services and the Carpark Operation Services. Prior to joining Asian Pac Group in March 2020, Garren has held several senior positions with most recently as Head of Portfolio Management Division under the Naza Group where over 200 of its properties across Malaysia rolled under his portfolio. He was the Associates Director with Cushman & Wakefield Group Malaysia (previously DTZ Group), heading the property and facility management services division where he oversees the commercial and residential property management services that includes projects such as; THE INTERMARK KL (Blackrock Group), AMD GROUP, AMANARAYA REITS, AFINITI MEDINI (JB), MENARA STANDARD CHARTERED (AIA Group), KL TRILLION, THE SUMMIT SUBANG, BINJAI ON THE PARK, ZEVA RESIDENCE (Trinity Group) and AMERA RESIDENCE (Simas-D Group).

Garren was the General Manager for the iconic Sungei Wang Plaza, Deputy General Manager for Plaza Low Yat Lifestyle Mall and Centre Manager for Kompleks Bukit Jambul and Prangin Mall both in Penang. He was an active committee member of BBKLCC Association associated with Tourism Malaysia in promoting Bukit Bintang KL areas as the shopping haven hub for the foreign and local tourists.

Garren holds a degree in Bachelor of Commerce and is a registered and certified property manager with The Board of Valuers, Appraisers and Estate Agents Malaysia and has detail knowledge of the Strata Titles Act 2013 and Building and Common Property (Management and Maintenance) Act 2007. He is also frequently engaged to conduct and facilitate the Annual General Meeting for the Joint Management Body and Management Corporation.

Mr Chong Ka Loong (Carriek)
Senior Manager,
Property Management

Nationality : **Malaysian**
Age/Gender :**45/Male**

Mr Carriek Chong joined the Group in August 2013 as a Senior Manager in property management division. He managed the Group's entire IMAGO Mall at Kota Kinabalu, Sabah. He has 14 years of experience in mall management, having managed more than 3.4 mil sq. ft. of property facilities space.

He is a member of the Malaysian Shopping Mall Association and a Certified Mall Operations Manager. Besides, Mr Carriek also a qualified Property Manager, certified by Malaysia Board of Valuers, Appraisers and Estate Agents.

Note:

Save as disclosed above, none of the Directors and Senior Management have:

- Family relationship with any Director and/or substantial shareholder of the Company;
- Conflict of interest with the Company; and
- Conviction for offences (other than traffic offences) within the past 5 years.

CORPORATE GOVERNANCE
OVERVIEW STATEMENT

The Board of Asian Pac Holdings Berhad ("**Asian Pac**" or "**the Company**") acknowledges the importance of practicing good corporate governance and remain committed to maintaining the following principles as set out in the Malaysian Code on Corporate Governance ("**MCCG** or "**CG Code**"); in ensuring that good corporate governance practices are observed throughout the Group with integrity, transparency and professionalism to protect and enhance stakeholders' value whilst pursuing the continuous and sustainable growth of the Group:

(a) Board leadership and effectiveness;
(b) Effective audit and risk management; and
(c) Integrity in corporate reporting and meaningful relationship with stakeholders.

Presently, the Board is of the view that the Company has in all material aspects satisfactorily complied with the principles and practices set out in the CG Code. Details of the application are summarized as below:

	Total	Adopted	Departure	Not Applicable	Not Adopted
Recommended Practices	32	29	3	0	0
Step-up practices	4	1	0	0	3

The following are the 3 recommended practices which the Company has not applied:

- Practice 4.5 – The Board must have at least 30% women directors.
- Practice 4.6 – The Board should utilize independent sources to identify suitably qualified candidates.
- Practice 7.2 – To disclose the top five senior management's remuneration on named basis.

The Board is pleased to present this statement supported by the Corporate Governance Report ("**CG Report**") which is accessible online at the Company's website, www.asianpac.com.my. The CG Report provides the details on how Asian Pac Group has applied the three (3) abovesaid principles outlined in the MCCG during financial year ended 31 March 2021 ("**FYE 2021**") as well as the departures from the abovementioned practices.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Part I - Board Responsibilities

Board Roles and Responsibilities

The Board recognizes the key role it plays in charting the strategic direction of the Company in discharging its fiduciary and leadership functions as set out in the Board Charter. The Board's roles and responsibilities, amongst others, are as follows:

- Review and adopt strategic plan and annual budget for the Group.
- Oversee the conduct of the Group's business to evaluate whether the business is being properly managed.
- Identify principal risks and ensure the implementation of appropriate systems to manage these risks.
- Succession Planning including appointing, reviewing the retention or replacement of Board members, Managing Director/Executive Director and Senior Management.
- Review the adequacy and the integrity of the Group's internal control systems and management information system, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.
- Review the statement in respect of financial statements to give a true and fair view of the state of affairs of the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part I - Board Responsibilities (cont'd)

Board Roles and Responsibilities (cont'd)

The Key Roles of the Board are as follows:

Role	Key Responsibilities
Chairman	Preside over meetings of Directors and ensure efficient organization and conduct of the meeting for the smooth functioning of the Board in the interest of good corporate governance.
Managing Director ("**MD**")	Develop and execute the Group's strategies in line with the Group's direction. Oversee the operations and drive the Group's business and performance together with the Executive Director.
Executive Director ("**ED**")	Oversee the day-to-day operations and management within his assigned responsibilities; and liaises frequently with the MD and leads the Management to drive the Company and the Group forward.
Non-Executive Directors	Monitor and oversee Management's conduct in running the business while bringing their expertise and wisdom to bear on the decision-making process.

Separate roles of Chairman and MD

The roles and responsibilities of the Chairman and MD are clearly separated and distinct to ensure that there is a balance of power and authority. The Chairman leads the Board by setting the tone at the top and the MD managing the Board's effectiveness by focusing on strategy governance and compliance.

Code of Ethics and implementation

The Group has in place a code of ethics for Directors and employees to govern their standard of ethics and good conduct. The code of ethics for Directors described the standards of business conduct and ethical behavior for Directors in discharging and exercising their duties and responsibilities as Directors of the Company.

For employees, the code of ethics is established in the Employees Handbook which disseminates the Company's ethical corporate culture and acceptable behavior throughout the Group.

In addition, the Board had also established a Whistleblowing Policy, to provide employees/stakeholders a proper channel and guidance to raise genuine concerns, disclose any wrongdoing or misconduct, unethical behavior, malpractices, any violation of Code of Ethics, unlawful, illegal acts or failure to comply with regulatory requirements. The Board and the Management assure that the whistleblowers are kept confidential and are protected from any possible reprisals or retaliations if the disclosure is genuine.

The Code of Ethics for Directors and Whistleblowing Policy are available on the Company's website, www.asianpac.com.my.

Access to information and advice

The Board is supplied with relevant information and reports on financial, operational, corporate, regulatory, business development and audit matters, by way of Board reports or upon specific requests, for decisions to be made on an informed basis and for an effective discharge of the Board's responsibilities.

Notices of Board/Board Committees Meetings are sent to the Directors electronically 7 days in advance and the Board papers are made available at least 5 days before the meeting is held, except in the case of an emergency, where reasonable time would suffice. This enables the Directors to have sufficient time to solicit further explanations and/or information, where necessary, so that deliberations at the meeting are focused and constructive.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part I - Board Responsibilities (cont'd)

Access to information and advice (cont'd)

The Board papers include meeting minutes which reflects the deliberations and decisions of the Board, updates on financial, operational and corporate developments of the Group. Board papers are also presented with details on other issues that may require the Board's deliberation which inter alia, include the approval of corporate plans, acquisitions and disposals of assets that are material to the Group, major investments, changes to management and control structure of the Group.

The Chairman of the Board Committees namely the Audit and Risk Management Committee ("**ARMC**"), Remuneration Committee and Nomination Committee, brief the Board on matters discussed as well as decisions taken at the meetings of their respective Board Committees.

The Board has unrestricted access to all information within the Group. All Directors with the Chairman's prior consent are entitled to seek independent professional advice on issues whether as a full Board or in their individual capacity where they are of the opinion that professional advice is needed after having discussions with Senior Management, External Auditors and Internal Auditor, in furtherance of their duties at the Company's expense.

Qualified and competent Company Secretaries

The Company Secretaries are suitably qualified and competent, as they are members of the professional bodies prescribed by the Minister of Domestic Trade & Consumer Affairs and are qualified under Section 235(2) of the Companies Act 2016. The key roles of the Company Secretaries are to provide unhindered advice and services to the Directors, as and when the need arises to enhance the effective functioning of the Board and to ensure regulatory compliance. The Company Secretaries update the Board on any changes or amendments to the Companies Act 2016, Bursa Malaysia Securities Berhad ("**Bursa Securities**") Listing Requirements, Capital Market & Services Act and other relevant regulatory requirements. The Company Secretaries also monitor the corporate governance development and assist the Board in applying the corporate governance practice.

On a quarterly basis, the Company Secretaries serve notice to the Directors and Principal Officers to notify them of closed periods for trading in the securities of the Company in accordance with Chapter 14 of the Bursa Securities Listing Requirements.

The Company Secretaries attend all Board, Committees and General Meetings and ensure that the meetings are properly convened and that accurate and adequate records of the proceedings of the meetings and decisions made were minuted and properly kept.

The Company Secretaries constantly keep themselves abreast of the evolving capital market, regulatory changes and the development in corporate governance through attending relevant seminars, training and professional development programmes.

Board Charter

The Board Charter which outline the Board's roles and responsibilities was adopted by the Board on 25 May 2016. The Board will periodically review and update the Board Charter in accordance with the needs of the Company and new regulations that may have an impact on the discharge of the Board's responsibilities in ensuring its effectiveness and consistency with the Board's objectives.

The Board Charter was last reviewed in November 2020 and is available on the Company's website, www.asianpac.com.my.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part II - Board Composition

Composition of the Board

The Board presently consists of seven (7) members; comprising a MD, an ED, four (4) Independent Non-Executive Directors and a Non-Independent Non-Executive Director. The Board fulfills the prescribed requirements for one-third (1/3) of the membership of the Board to be Independent Directors as regulated by Bursa Securities; and also fulfil the Practice 4.1 of the CG Code, at least half of the Board comprises Independent Directors. In the event that the number of Independent Directors is reduced below two (2), the Board of Directors shall, within three (3) months of that event, appoint such number of new members as may be required to make up the minimum of two (2) Independent Directors.

The Board is helmed by effective and experienced directors consist of individuals with caliber and credibility from diverse professional backgrounds with a wealth of experience, skills and expertise specializing in areas such as finance, corporate affairs, legal, leasing, marketing and property management. A brief profile of each Director is presented in the Profile of Directors' section of this Annual Report.

Tenure of Independent Director and Shareholders' Approval for Retention of Independent Director

The tenure of Independent Directors of the Company is as follows:

As at 31 March 2021	1-5	Years 6-10	11-15
Independent Non-Executive Directors	3	–	1

Practice 4.2 of the CG Code states that the tenure of an independent director shall not exceed a cumulative term limit of nine (9) years. Upon completion of nine (9) years, an Independent Director may continue to serve on the Board subject to the director's re-designation as a non-independent director.

The Company does not have tenure limits for Independent Directors and the Board is of the view that the ability of an Independent Non-Executive Director to exercise his/her independence and objective judgement in Board deliberations shall not be determined solely or arbitrary by their tenure of service.

Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas ("**Tan Sri Dato' Seri Hj Megat Najmuddin**") had served the Board for more than twelve (12) years. The Board, after considering the recommendation of the Nomination Committee, resolved to retain Tan Sri Dato' Seri Hj Megat Najmuddin as he has vast experience in a diverse range of businesses that provide a constructive and independent judgement in the best interest of the Group. In addition, he provides check and balances in Board proceedings and has retained independence of character and judgement and has devoted sufficient time and attention to his responsibilities as Independent Director and exercise due care in the interest of the Group as well as its shareholders.

In accordance to the CG Code, a resolution will be tabled at the forthcoming Annual General Meeting ("**AGM**") to retain Tan Sri Dato' Seri Hj Megat Najmuddin as an Independent Director through a two-tier voting process as he had served the Company more than 12 years. A brief profile of Tan Sri Dato' Seri Hj Megat Najmuddin is presented in the Profile of Directors' section of this Annual Report.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part II - Board Composition (cont'd)

Nomination Committee

The Nomination Committee ("**NC**") established on 29 May 2002, is charged with the responsibility of, amongst others, recommending the appointment of new directors to the Board, annual evaluation of the directors and Board Committees and recommending the retiring director for re-election based on the Constitution of the Company as outlined below. The members comprise Non-Executive Directors of the Board and are guided by clearly defined terms of reference to ensure that there are appropriate procedures in place for the nomination, selection and evaluation of Directors.

Pursuant to Clause 23.4 of the Constitution of the Company, one-third (1/3) of the Directors for the time being shall retire from office every year and all directors shall retire at least once in every three (3) years. In addition, the retiring Directors shall be eligible for re-election at the AGM.

During the financial year under review, the NC held one (1) meeting which was attended by all its members. On 24 May 2021, the NC reviewed and assessed amongst others:

(i) the effectiveness of the Board as a whole, the Board Committees notably the ARMC, NC and Remuneration Committee;
(ii) the required mix of skills, experiences, other requisite qualities including core competencies and gender diversity of the Board;
(iii) the contribution and performance of each Director;
(iv) the independence of Independent Directors; and
(v) recommended the retiring directors for re-election at the forthcoming AGM as below:

- Ms. Tan Siew Poh, Ms. Soon Dee Hwee and Mr. Sherman Lam Yuen Suen - pursuant to Clause 23.4 of the Constitution of the Company.

The aforesaid directors except Ms Tan Siew Poh had expressed their intentions to seek for re-election at the 103rd AGM. Hence, Ms Tan Siew Poh will retain in office until the close of the 103rd AGM.

Self-evaluation had been conducted by each individual Director of the Company including the Independent Directors and a summary of evaluation was furnished to the NC prior to the NC Meeting. The same would be shared with the Board to allow enhancement to be undertaken.

Based on the assessment carried out during the financial year ended 31 March 2021, the Board is satisfied with the level of independence demonstrated by all Independent Directors and their ability to act in the best interests of the Company. All assessments and evaluations carried out by the NC in discharging their duties are documented in the minutes of meetings.

Gender Diversity

The Board acknowledges the importance of boardroom diversity, including gender, ethnicity and age. The Group practices the selection of suitable candidates as new Board members based on the candidates' competency, knowledge, skills, experience, character, time commitment and other qualities in meeting the needs of the Group. The ultimate decision will be based on merit and contribution that the selected candidates could bring to the Board.

Currently, the Board has 29% of women participation. Thus, the NC had deliberated to appoint additional woman director in compliance with good corporate governance practice. The Board took cognizance of it and would proceed with it when deem necessary. Nevertheless, the Board is satisfied that the current boardroom diversity is adequate for its purpose and has the appropriate blend of gender, experience and age upon recent assessment carried out by NC.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part II - Board Composition (cont'd)

Time Commitment

The Board is mindful of the importance of devoting sufficient time and effort to carry out their responsibilities and enhance their professional skills. Thus, each Director is expected to commit sufficient time as and when required to carry out their responsibilities, besides attending meetings of the Board and Board Committees.

The Directors are required to update on their other directorships and shareholdings in public listed companies to the Company Secretaries so as to monitor the number of directorships held by the Directors as regulated by Bursa Securities Listing Requirements where a director must not hold more than five (5) directorships in public listed companies. This is to ensure the directors' commitments in devoting sufficient time to the Company and they are able to focus and discharge their duties effectively.

Currently, all the Directors of the Company do not hold more than five (5) directorships in public listed companies including the Company.

The Board is satisfied with the level of commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company. All the Directors had attended more than 50% of the attendance as required by Bursa Securities Listing Requirements. During the financial year ended ("**FYE**") 31 March 2021, the Board met on four (4) occasions as follows:

i 29 June 2020;
ii 12 August 2020;
iii 23 November 2020; and
iv 3 March 2021.

The details of meeting attendance for each Director for the FYE 31 March 2021 are contained in the table below:

Name of Directors	No. Board Meetings Attended/Held
Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas	4/4
Datuk Mohamed Salleh Bin Bajuri	4/4
Dato' Mustapha Bin Buang	4/4
Ms. Tan Siew Poh	4/4
Dr. Yu Tat Loong	4/4
Ms. Soon Dee Hwee	4/4
Mr. Sherman Lam Yuen Suen	4/4

In the intervals between Board Meetings, for exceptional matters requiring urgent Board decisions, the Boards' sanction are obtained via circular resolutions where sufficient information is attached to the resolution to facilitate the Board in making informed decisions.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part II - Board Composition (cont'd)

Directors' Training

The NC oversees the training needs of its Directors and acknowledges the importance of continuous education and training in order to broaden one's perspective and to keep abreast with the current and future developments in the industry and global markets, regulatory updates as well as management strategies to enhance the Board's skills and knowledge in discharging their duties.

All Directors had attended the Mandatory Accreditation Program prescribed by Bursa Securities. The Directors have also, during the financial year attended other relevant training programmes, webinars and seminars organized internally and externally. Among the programmes attended were as follows:

Name of Director	Title	Organizer	Date
Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas	Sime Darby Plantation Dinner Talk – SDP's Innovation Progress in Digitalization & Mechanization	Sime Darby Plantation Berhad	7 September 2020
	Sime Darby Plantation Board Retreat Session 1: Covid-19; Adapting to the New Normal Session 2: Navigating & Building Business Resilience	Sime Darby Plantation Berhad	8 September 2020
	PNB Digital Carnival 2020	Permodalan Nasional Berhad	19 November 2020
Dato' Mustapha Bin Buang	Fraud Risk Management	PWC Consulting Services (M) Sdn Bhd	3 November 2020
Datuk Mohamed Salleh Bin Bajuri	Anti-Bribery and Corruption Section 17A of MACC (Amendment) Act 2018	Eden Inc Berhad	15 September 2020
Ms. Tan Siew Poh	Effective Fund – Raising and Valuations for the New Normal and Post – Covid 19	MIRA	25 January 2021
Dr. Yu Tat Loong	Fraud Risk Management	PWC Consulting Services (M) Sdn Bhd	3 November 2020
Ms. Soon Dee Hwee	ICAEW Webinar – Climate Change and the Role of Business and Accountants	ICAEW	29 April 2020
	Governance & Risk – An Uncertain World, a Riskier Landscape	PWC	30 April 2020
	Outthink the Competition – Excelling in a Post Covid-19 World	FIDE Forum	5 May 2020
	Flatten the Curve: Then What?	ICLIF	13 May 2020
	The Future of AGM – fully virtual/hybrid AGMs	Boardroom Business Solutions Sdn Bhd	14 May 2020
	What are the temporary relief measures for listed issuers during Covid-19 Pandemic	Tricor Services (Malaysia) Sdn Bhd	15 May 2020

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part II - Board Composition (cont'd)

Directors' Training (cont'd)

Name of Director	Title	Organizer	Date
Ms. Soon Dee Hwee (cont'd)	H2 Market Outlook Webinar	Credit Suisse	3 July 2020
	Digital Financial Institutions Series: Managing Virtual Banking and Insurance Business	FIDE Forum	21 July 2020
	Captain's Forum- Transformation towards Recovery – Session 1: Financial Resilience	KPMG	25 September 2020
	Captain's Forum – Transformation towards Recovery – Session 2: Operational Resilience	KPMG	9 October 2020
	Arm's Length Conditions in the "New Norm"	KPMG	20 October 2020
	The Board's Leadership in Greening the Financial Sector	FIDE Forum	2 November 2020
	Green Fintech: Ping An's use of Technology to support Green Finance Objectives	FIDE Forum	11 November 2020
	Malaysia's Budget 2021	PWC	17 November 2020
Mr. Sherman Lam Yuen Suen	Cyber Risk Fundamentals	Institute of Internal Auditors Australia	9 April 2020
	MIA AccTech Conference (Virtual)	Malaysian Institute of Accountants ("MIA")	25-26 June 2020
	Corporate Valuation	CPA Australia	28 July 2020
	Anti-Money Laundering & Counter Financing for Terrorism ("AMLCFT") Essentials	MIA	10 October 2020
	CPA Australia Virtual Congress	CPA Australia	12 November 2020
	Global Leaders Insight	CPA Australia	23 December 2020

All directors are also provided with updates from time to time in areas such as corporate governance practices, relevant legislation and regulations. The Company Secretaries have periodically informed the Directors of the availability of appropriate courses, conferences, seminars and the Directors are encouraged to attend such training at the Company's expenses.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part III - Remuneration

Remuneration Committee ("RC")

Composition of RC

Currently, the RC consists entirely of three (3) Non-Executive Directors, majority of whom are Independent Directors.

Policy and Procedures

The main objective of the remuneration policy is to attract, retain and motivate Directors required to lead and control the Group effectively. The Board, as a whole, determines the remuneration of the Directors and the individual director is required to abstain from participating in the discussion of their own remuneration. The Board had also empowered the Managing Director to review the performance and remuneration packages of senior management.

The remuneration package of each individual Executive Director is structured to reflect his experience, performance and scope of responsibilities. Only the MD has a contract of service which is reviewed every two (2) years. The remuneration of Non-Executive Directors consists of fixed fees and meeting allowance which are subject to the approval of the shareholders at the AGM. The Chairman of the Board receives higher fees taking into account the nature of his responsibilities.

During financial under review, there was a meeting held and attended by all members to review the remuneration of MD and ED. Moreover, the RC also reviewed the directors' fees for Non-Executive Directors and it was concluded that the fees increment for Non-Executive Directors be deferred as well as the remuneration packages of MD and ED to be assessed and reviewed in ensuing year due to austerity drive undertaken by the Group.

Directors' Remuneration

The aggregate Directors' Remuneration paid or payable by the Company and the Group for the FYE 31 March 2021 are categorized into the following components:

Company

	Fees RM'000	Salaries & other emoluments RM'000	Bonus RM'000	Meeting Allowance RM'000	Total RM'000
Executive Directors					
Dato' Mustapha Bin Buang	–	1,696	–	–	1,696
Dr. Yu Tat Loong	–	–	–	–	–
Non-Executive Directors					
Tan Sri Dato' Seri Hj. Megat Najmuddin Bin Datuk Seri Dr Hj. Megat Khas	–	–	–	–	–
Datuk Mohamed Salleh Bin Bajuri	108	–	–	5	113
Ms Tan Siew Poh	60	–	–	5	65
Ms Soon Dee Hwee	60	–	–	5	65
Mr Sherman Lam Yuen Suen	60	–	–	5	65
Total	**288**	**1,696**	**–**	**20**	**2,004**

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part III - Remuneration (cont'd)

Directors' Remuneration (cont'd)

Group

	Fees RM'000	Salaries & other emoluments RM'000	Bonus RM'000	Meeting Allowance RM'000	Total RM'000
Executive Directors					
Dato' Mustapha Bin Buang	–	1,696	–	–	1,696
Dr. Yu Tat Loong	–	540	–	–	540
Non-Executive Directors					
Tan Sri Dato' Seri Hj. Megat Najmuddin Bin Datuk Seri Dr Hj. Megat Khas	144	–	–	5	149
Datuk Mohamed Salleh Bin Bajuri	108	–	–	5	113
Ms Tan Siew Poh	60	–	–	5	65
Ms Soon Dee Hwee	60	–	–	5	65
Mr Sherman Lam Yuen Suen	60	–	–	5	65
Total	**432**	**2,236**	**–**	**25**	**2,693**

The number of Directors' Remuneration falls into the following band:

Range of Remuneration

	Managing/ Executive Directors	Non- Executive Directors
Below RM50,000	–	–
RM50,001-RM100,000	–	3
RM100,001 - RM150,000	–	2
RM500,001 – RM550,000	1	–
RM1,500,001 - RM2,000,000	1	–

Top 5 Senior Management's Remuneration

The remuneration of the top 5 Senior Management (including salary, bonus and allowances) in each successive bands of RM50,000 during the FYE 2021, are as follows:

Range of Remuneration	Top 5 Senior Management
RM200,001 – RM250,000	1
RM250,001 – RM300,000	1
RM350,001 – RM400,000	1
RM400,001 – RM450,000	1
RM500,001 – RM550,000	1

For the purposes of security and to avoid poaching by other organizations, the Board has chosen to disclose the remuneration of the top 5 Senior Management in bands instead of named basis as the Board is of the opinion that such information will not add value and the transparency and accountability aspects of corporate governance applicable to the remuneration of these staff which are deemed appropriately served by the above disclosures.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Part I - Audit Committee

Composition of ARMC

The ARMC comprises five (5) members, all of whom are Non-Executive Directors, of which four (4) are Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. The Company is in line with the Practice 8.1 of MCCG whereby the Chairman of the Board is not the Chairman of Audit Committee.

The Company fulfills the prescribed requirements of Paragraph 15.09(c) which stated that at least one (1) member of the ARMC shall be member of the Malaysian Institute of Accountants ("**MIA**"); where all members of ARMC except Tan Sri Dato' Seri Hj Megat Najmuddin are members of MIA.

The composition, authority as well as duties and responsibilities are set out in the terms of reference of ARMC and are published on the Company's website, www.asianpac.com.my. The works of the ARMC during the year have been summarized on page 65 of the ARMC Report.

Assessment of Suitability and Independence of External Auditors

For the FYE 2021, the ARMC has assessed the suitability and independence of the External Auditors ("**EA**") vide an annual assessment of the suitability and independence of the EA of the Company. In its assessment, the ARMC considered, inter alia, the following factors:

For "Suitability" of the EA:

- The EA has the adequate resource, skills, knowledge and experience to perform their duties with professional competence and due care in accordance with the approved professional auditing standards and the applicable regulatory and legal requirements;
- To the knowledge of the ARMC, the EA does not have any record of disciplinary actions taken against with unprofessional conduct by the MIA which has not been reversed by the Disciplinary Board of MIA;
- The external audit firm has the geographical coverage required to audit the group;
- The EA advise the ARMC on significant issues and new developments pertaining to risk management, corporate governance, financial reporting standards and internal controls on a timely basis;
- The level of quality control procedures in the external audit firm, including the audit review procedures; and
- The external audit scope is adequate to cover the key financial and operational risks of the Group.

For "Independence" of the EA:

- The engagement partner has not served for a continuous period of more than seven (7) years with the Company; and
- The EA confirmed that they are independent throughout the conduct of the audit and remain in compliance with the By-Laws of the MIA and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants' independence requirements.

Upon completion of the said assessment, the ARMC was satisfied with their performance, technical competency and fulfilment of criteria of independence and recommended their re-appointment to the Board, upon which the shareholders' approval will be sought at the forthcoming 103rd AGM of the Company.

The ARMC meets with the EA at least twice a year to review the scope and discuss their audit plan, audit findings and the Company's financial statements. Other Board members also attend meetings upon the invitation of the ARMC. The EA will meet the ARMC without the presence of other directors and senior management at least once a year to allow the ARMC and the EA to exchange independent views or matters which require the ARMC's attention. In addition, the EA are invited to attend the Company's AGM and are available to answer any questions from the shareholders.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

Part II - Risk Management and Internal Control Framework

Sound Risk Management Framework

The Group has adopted the Risk Management Framework which sets out its risk management strategy, risk structure, risk assessment processes, risk communication and risk monitoring and review.

Recognizing the importance of having risk management processes and practices, the Board has delegated its role in risk management to Risk Management Working Committee ("**RMWC**") to take charge of the operational risks of the Group. The RMWC comprises Head of respective Departments of the Group and led by the Financial Controller. The RMWC oversees, identifies, evaluates, controls, monitors and reports on the critical risks faced by the Group on an on-going basis, including remedial measures to be taken to address the risks vis-à-vis the risk parameters of the Group to ARMC. The Chairman of the RMWC reports to the ARMC and brief the Board on its activities and findings.

During the financial year under review, there were four (4) RMWC Meetings held. A summary of material risks that could affect the Group (including any material exposure to economic, environmental and social sustainability risks) are monitored for changes and are reported to the ARMC and the Board during the course of the year, along with related controls and action plans.

Internal Audit Function

The Group's internal audit function is carried out by the Internal Audit Department, which the Head of Internal Audit reports directly to the ARMC on its activities based on the approved internal audit plan. 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.

All internal audits carried out are guided by the International Standards for the Professional Practice of Internal Auditing promulgated by the Institute of Internal Auditors, a globally recognized professional body for internal auditors.

The Board is of the view that the existing system of internal control and risk management during the year, is sound and sufficient to safeguard the Group's assets, as well as shareholders' investments and the interests of customers, regulators, employees and other stakeholders. The details of the Company's internal control system and framework are set out in the Statement on Risk Management and Internal Control on pages 68 to 70 of this Annual Report.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Part I - Communication with Stakeholders

Investor Relations and Shareholders Communication

The Company strives to maintain an open and transparent channel of communication with its stakeholders. The Company believes that a constructive and effective investor relationship is an essential factor in enhancing value for its shareholders.

The Company's website is the key communication channel for the Company to reach its shareholders and general public. Through the Company's website www.asianpac.com.my, the Investor Relations section enhances the investor relation function by including all the announcements made by the Company, financial results, annual reports, corporate calendar as well as shares information.

The shareholders and general public may direct any queries on the Company via email (www.query@asianpac.com.my) or write to the Senior Independent Non-Executive Director, Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas at 12th Floor, Menara SMI, No. 6, Lorong P. Ramlee, 50250 Kuala Lumpur who was designated by the Company to receive and deal with shareholders' queries.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

Part II - Conduct of General Meetings

AGM

The Company had conducted a fully virtual 102nd AGM at the Broadcast Venue at Conference Room, Level 13A, Menara SMI, No. 6, Lorong P. Ramlee, 50250 Kuala Lumpur by leveraging technology in accordance with Section 327(1) and (2) of the Companies Act 2016, Clause 18.1 of the Constitution of the Company and the SC's Guidance Notes and FAQs on the Conduct of General Meetings for Listed Issuers dated 18 April 2020 and subsequently revised on 14 May 2020. All the directors together with the company secretaries and senior management were physically present at the 102nd AGM except the ED and External Auditors who attended the said AGM via video conferencing.

In line with good Corporate Governance practice, the notice of the 102nd AGM was issued 28 days before the AGM date. Neither shareholders nor proxies were allowed to be physically present and they were advised to participate remotely and voting via Digital Ballot Form facilities ("**DBF**") in view of the Coronavirus Disease ("**Covid'19**") pandemic and as part of the Company's safety measures. To further encourage engagement between the Directors and shareholders, shareholders were also invited to send questions before the meeting to the Poll Administrator at AGM-support.APAC@megacorp.com.my in relation to the agenda items for the 102nd AGM.

The shareholders, corporate representatives and proxies attended the 102nd AGM via webinar session link. The proceedings of the 102nd AGM at the Broadcast Venue included the presentation of all items under the agenda, and a Questions and Answers session for each item of the agenda during which the Chairman invited shareholders to use Questions Pane facility to submit questions (real time) during the meeting; before putting a resolution to vote.

The Scrutineers, Cygnus IT Solutions PLT verified and showed the poll results for each resolution, which included votes in favour and against, on the screen, upon which the Chairman of the 102nd AGM declared that all resolutions were carried. The poll results were also announced by the Company via Bursa Link on the same day for the benefit of the shareholders. The key matters discussed at the 102nd AGM was also made available on the Company's website, www.asianpac.com.my.

Directors' Responsibility Statement in respect of the preparation of annual audited financial statements

The Directors are required by the Companies Act 2016 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial year and the results of the operations, changes in equity and cash flows of the Group and of the Company for the financial year. Where there are new accounting standards or policies that become effective during the year, the impact of these new treatments would be stated in the notes to the financial statements accordingly.

The Directors are also responsible for ensuring that proper accounting records are kept and disclosed with reasonable accuracy at any time on the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2016. The Directors have also taken necessary steps to ensure appropriate systems are in place to safeguard the assets of the Group, to prevent and detect fraud as well as other irregularities.

In respect of the financial statements for the financial year ended 31 March 2021, the Directors have:

- adopted appropriate accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- ensure that all applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared financial statements on the going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future.

This statement is reviewed and approved by the Board of Directors' Meeting held on 26 August 2021.

ADDITIONAL COMPLIANCE **INFORMATION**

UTILIZATION OF PROCEEDS FROM CORPORATE PROPOSAL

The Company had raised RM99,256,461 cash ("**Proceeds**") via its Renounceable Rights Issue of up to RM99,256,461 nominal value of 5-year 3% Irredeemable Convertible Unsecured Loan Stocks ("**ICULS**") at 100% of its nominal value of RM1.00 each in Asian Pac Holdings Berhad ("**Asian Pac**") on the basis of 1 ICULS for every 10 existing ordinary shares in Asian Pac, together with up to 198,512,922 free new detachable warrants ("**Warrant**") on the basis of 2 Warrants for each ICULS subscribed ("**Rights Issue**"). The Rights Issue exercise was completed on 31 May 2017. The Company had fully utilized the Proceeds from the Rights Issue of ICULS with Warrants during the FYE 31 March 2020.

The exemption granted to Mr. Mah Sau Cheong and person acting in concert with him namely, Chin Lai Kuen ("PAC") from the obligation to undertake a mandatory take-over offer for all the ordinary Asian Pac shares, convertible securities and new Asian Pac shares to be issued pursuant to the conversion of ICULS and/or the exercise of the Warrants not held by Mr. Mah Sau Cheong or his PAC ("Exemption")

Pursuant to the Malaysian Code on Take-Overs and Mergers 2016 and the Rules on Take-Overs, Mergers and Compulsory Acquisitions, the Company would like to disclose the following:

1. **The details of the Exemption granted, including the duration for which the Exemption has been granted.**

   On 26 January 2017, Mr. Mah Sau Cheong and his spouse, Ms. Chin Lai Kuen had submitted an application to the Securities Commission ("**SC**") for the Exemption from the obligation to undertake a mandatory take-over offer for all the ordinary shares of RM0.20 each in Asian Pac, convertible securities and new Asian Pac Shares to be issued pursuant to the conversion of ICULS and/or the exercise of the Warrants not held by Mr. Mah Sau Cheong and his spouse, Ms. Chin Lai Kuen, pursuant to Section 219 of the Capital Market and Services Act 2007 and Paragraph 4.08 (1)(C) of the Rules on Take-Overs, Mergers and Compulsory Acquisitions issued on 15 August 2016.

   On 14 February 2017, the SC had granted the approval on the Exemption and the duration for the Exemption granted is from 26 May 2017 to 25 May 2022.

2. **The number and percentage of voting shares or voting rights and the conversion or subscription rights or options in Asian Pac held by Mr. Mah Sau Cheong and Ms. Chin Lai Kuen as at latest practicable date prior to the disclosure are as below:**

	As at 30 July 2021			
	No. of Asian Pac Shares	**%**	**No. of ICULS**	**No. of Warrants**
Mah Sau Cheong	182,068,669	17.34	58,800,411	86,509,122
Chin Lai Kuen	5,260,000	0.50	–	–
Total	**187,328,669**	**17.84**	**58,800,411**	**86,509,122**

ADDITIONAL COMPLIANCE INFORMATION

UTILIZATION OF PROCEEDS FROM CORPORATE PROPOSAL (CONT'D)

3. The maximum potential voting shares or voting rights of Mr. Mah Sau Cheong and Ms. Chin Lai Kuen in Asian Pac, if only Mr. Mah Sau Cheong and Ms. Chin Lai Kuen (but not other holders) exercise the conversion or subscription rights or options in full are as below:

	Maximum Potential No. of Asian Pac Shares	%
Mah Sau Cheong	562,579,846	35.71
Chin Lai Kuen	5,260,000	0.33
Total	**567,839,846**	**36.04**

MATERIAL CONTRACTS INVOLVING DIRECTORS', CHIEF EXECUTIVE OR MAJOR SHAREHOLDERS' INTEREST

The Company and its subsidiaries did not enter into any material contracts which involved the interests of the Directors, Chief Executive who is not a Director or major shareholders during the financial year.

AUDIT AND NON-AUDIT FEES

Details of audit and non-audit fees incurred for services rendered by the External Auditors during the financial year are as follows:

	Group RM	Company RM
Audit Fees	362,650	75,000
Non-Audit Fee	7,000	7,000

This non-audit fee covers the review of Statement on Risk Management and Internal Control.

AUDIT AND RISK MANAGEMENT **COMMITTEE REPORT**

COMPOSITION

The Audit and Risk Management Committee ("**ARMC**") comprises five (5) members, all of whom are Non-Executive Directors, four (4) are Independent Non-Executive Directors and one (1) is Non-Independent Non-Executive Director. The members are as follow:

Chairman	
Datuk Mohamed Salleh Bin Bajuri	Independent Non-Executive Director
Members	
Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas	Independent Non-Executive Director
Ms Soon Dee Hwee	Independent Non-Executive Director
Mr Sherman Lam Yuen Suen	Independent Non-Executive Director
Ms Tan Siew Poh	Non-Independent Non-Executive Director

Datuk Salleh, Ms Soon, Mr Sherman Lam and Ms Tan are members of the Malaysian Institute of Accountants. Accordingly, the Company complies with paragraph 15.09(1)(c) of the Main Market Listing Requirements ("**MMLR**") of Bursa Securities.

The term of office and performance of the ARMC are reviewed by the Nomination Committee annually to determine whether the ARMC and its members have carried out their duties in accordance with their terms of reference.

ATTENDANCE

During the financial year, the ARMC convened five (5) meetings which were attended by all members. These meetings were also attended by the Internal Auditor, Group Accountant and the Financial Controller. The details of the members' attendance records for the FYE 31 March 2021 are as follows:

Name of Directors	No. ARMC Meetings Attended/Held
Datuk Mohamed Salleh Bin Bajuri	5/5
Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas	5/5
Ms Tan Siew Poh	5/5
Ms Soon Dee Hwee	5/5
Mr Sherman Lam Yuen Suen	5/5

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

MEETINGS AND MINUTES

In assisting the Board to effectively discharge its fiduciary responsibilities for corporate governance, timely and accurate financial reporting and development of sound internal controls, ARMC meetings are held not less than four (4) times a year and are also attended by Managing Director and Executive Director, representatives from Finance Department and Head of Internal Audit. The External Auditors, Ernst & Young PLT ("**EY**") were invited to attend two (2) meetings where their audit plan including areas of concern and matters related to audit were presented to the ARMC for review and recommendation for the Board's approval and adoption.

The Chairman of the ARMC would engage on a continuous basis with the senior management in order to be kept informed of matters affecting the Group.

Minutes of each ARMC meetings were recorded and tabled for confirmation at the next ARMC meeting. The Chairman of ARMC will report key issues deliberated to the Board at each Board Meeting.

SUMMARY OF WORKS

Pursuant to the terms of reference of the ARMC, the following activities were carried out by the Committee during the FYE 31 March 2021 in the discharge of its duties and responsibilities:

i) Financial Reporting

The ARMC had reviewed the Group's unaudited quarterly financial results for the first, second, third and fourth quarter of the FYE 31 March 2021 on 12 August 2020, 23 November 2020, 3 March 2021 and 24 May 2021 respectively. On 26 August 2021, the ARMC reviewed the annual audited financial statements for FYE 31 March 2021.

The abovementioned unaudited quarterly financial results were prepared in accordance with the Malaysian Financial Reporting Standards ("**MFRS**") 134 Interim Financial Reporting and Paragraph 9.22 of the MMLR. The ARMC confirmed that:

(a) appropriate accounting policies had been adopted and applied consistently;

(b) the going concern basis applied in the Audited Financial Statements and Condensed Consolidated Financial Statements was appropriate;

(c) prudent judgements and reasonable estimates had been made in accordance with the requirements set out in the MFRSs;

(d) adequate processes and controls were in place for effective and efficient financial reporting and disclosures under the MFRSs and MMLR;

(e) no significant issues arising from the audit that needed judgement by the Management as well as unusual events or transactions to be addressed; and

(f) the Audited Financial Statements and Quarterly Condensed Consolidated Financial Statements did not contain material misstatement and gave a true and fair view of the financial position of the Group and the respective companies within the Group for FYE 31 March 2021.

The ARMC recommended the above mentioned unaudited quarterly financial results and annual audited financial statements at each subsequent Board Meetings for approval and to be released to Bursa Securities.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

SUMMARY OF WORKS (CONT'D)

ii) External Auditors

On 3 March 2021, the ARMC reviewed the 2021 Audit Plan, presented by EY which amongst others, contained the detailed terms of EY's responsibilities and the affirmation of their independence as External Auditors, the engagement team, risk assessment and areas of audit emphasis for the financial year.

On 26 August 2021, EY had presented the audit report pertaining to the matters arising from the audit for the FYE 31 March 2021 to ARMC as follows:

a) EY had completed their audit in accordance with their Audit Plan for 2021;
b) During the course of their audit, EY has not identified any matter relating to risks of material misstatement of the financial statements due to fraud;
c) Discussed Key Audit Matters with the Management and the disclosure thereof in the Auditors' Report for the FYE 31 March 2021;
d) the review of the Statement on Risk Management and Internal Control to be included in the Annual Report and its corresponding fees;
e) EY's written affirmation of its independence to act as the Company's external auditors in accordance with the independent requirements set out in the Bye-Laws (On Professional Ethics, Conduct and Practice) for the Professional Accountants of Malaysian Institute of Accountants; and
f) EY would issue an unqualified opinion on the financial statements of the Group.

The ARMC had a discussion session with EY 26 August 2021 without the presence of the Management.

The ARMC also recommended the re-appointment of EY to the Board after reviewing their performance, technical competency and fulfilment of criteria of independence.

iii) Internal Audit

The ARMC had on 24 May 2021 reviewed and approved the Internal Audit Plan for the financial year ending 31 March 2022 to ensure adequacy of scope, coverage and resources required to perform audits for the identified auditable areas.

The Internal Auditor had on 29 June 2020, 12 August 2020, 23 November 2020 and 3 March 2021 presented the Internal Audit Reports and Internal Audit Progress Reports on the following departments:

- Car Park Management
- Sales Administration
- Sales & Marketing
- Project
- Administration
- Human Resources
- Public Liaison
- Information Technology
- Property Management
- Leasing; and
- Marcom

Apart from the above, ARMC also reviewed and approved the Internal Audit Charter on 3 March 2021.

The ARMC reviewed the Internal Audit Reports prepared by the Internal Audit Department which highlighted the audit issues and recommendations as well as the Management's responses thereto. ARMC also discussed with the Management on actions to be taken to improve the system of internal control based on improvement opportunities identified in the internal audit reports. The ARMC also monitored and reviewed the progress of the agreed corrective actions on audit findings to ensure all audit issues were resolved within the agreed stipulated period.

SUMMARY OF WORKS (CONT'D)

iv) Related Party Transactions

Related party transactions entered into by the Company and its subsidiaries were reviewed on a quarterly basis, covering the nature and amount of the transactions. This is to ensure that related party transactions are undertaken on an arm's length basis, on normal commercial terms and on terms that are not more favourable to the related parties than those generally available to the non-related parties.

v) Risk Management

The Group had recently approved the Revised Risk Management Framework on 19 August 2021. The Risk Management Framework encompasses risk assessment, communication and consulting, risk monitoring and risk review.

The ARMC had reviewed the risk registers for all the divisions of the Group through the meetings held quarterly where the ARMC provided guidance on the action plans to address the identified risks and reported to the Board thereon.

Further details of the risk management are provided in the Statement on Risk Management and Internal Control.

vi) Others

(a) The Statement on Risk Management and Internal Control for publication in the Company's Annual Report was also reviewed by ARMC.

(b) ARMC reviewed the gift registers of the Group which the employees disclosed quarterly in compliance with the Company's established anti-bribery and corruption policy.

INTERNAL AUDIT FUNCTION/ACTIVITIES

The Group's internal audit function is performed in-house. The Internal Audit Department ("**IAD**") of the Group was established to assist the Board of Directors and the ARMC in discharging their duties and responsibilities. The IAD undertakes its functions based on the annual internal audit plan that is reviewed and approved by the ARMC, and it is the responsibility of the IAD to provide the ARMC with independent and objective reports on the state of internal controls of various business operating units within the Group and the extent of its compliance with the Group's policies and procedures as well as relevant statutory requirements.

During the financial year, the following activities were carried out by the IAD:

- Prepared risk-based annual internal audit plan for FYE 31 March 2021 for the ARMC's approval.
- Completed audit assignments in accordance with the risk-based annual internal audit plan.
- Recommended improvement opportunities to strengthen the system of internal controls subsequent to completed audits.
- Reviewed related party transactions entered into by the Company and its subsidiaries on a quarterly basis.
- Reviewed the employee's compliance with the Company's established anti-bribery and corruption policy.
- Reviewed the Statement on Risk Management and Internal Control for publication in the Company's annual report.

The total cost incurred from the internal audit function in respect of the FYE 31 March 2021 was RM235,721.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board is committed to maintaining a sound system of internal controls to safeguard shareholders' investments and the Group's assets. Pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements by Bursa Malaysia Securities Berhad, the principles, practices and guidance relating to risk management and internal controls provided in the Malaysian Code on Corporate Governance issued by Securities Commission on 26 April 2017 and as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, the Board is pleased to present the following statement with respect to the state of risk management and internal control of the Group for the current financial period ended 31 March 2021.

BOARD RESPONSIBILITY

The Board is responsible for overseeing the Group's risk management and system of internal controls to safeguard shareholders' investment and the Group's assets, as well as reviewing their integrity, adequacy and effectiveness.

In line with the Board's responsibilities, the Board has implemented an effective framework for identifying, assessing, managing and monitoring key business risks. The Board has also put in place a sound system of internal control for the Group, which is detailed under the sub header of Internal Control below.

Due to limitations inherent in any system of risk management and internal control, these systems are designed to manage rather than eliminate the respective risks that exist in achieving the Group's business objectives. Therefore, such systems of risk management and internal control can only provide reasonable, and not absolute assurance against material misstatements, loss or fraud.

RISK MANAGEMENT

The Board recognises the importance of identifying and managing principal risks of the Group's daily operations and that the identification and management of such risks will affect the achievement of the Group's corporate objectives.

As part of the integral process of risk management, the Group's risk management framework is structured in a manner by which the existence of significant risks of the Group have been identified, assessed and managed on an ongoing basis.

INTERNAL AUDIT FUNCTION

The ARMC evaluates the internal audit function to assess its effectiveness in the discharge of its responsibilities. Observations from these audits, especially on areas where material internal control deficiencies or lapses have been noted, are presented together with Management's proposed action plans and implementation timelines, to the ARMC for its review. The internal audit function also follows up and reports to the ARMC on the status of implementation of the action plans by Management.

Further details of the activities of the internal audit function are provided in the Audit and Risk Management Committee Report.

INTERNAL CONTROL

The key elements of the Group's system of internal controls are described below:

a) The Group has in place an organisation structure with proper segregation of duties, and reporting procedures and authorisation limits.

b) All heads of departments are accountable for ensuring the effective implementation, maintenance and updating of established authorisation limits, policies and procedures embedded within the organisation's system of internal controls.

c) The Board meets regularly to monitor and review the overall performance of the Group, to consider the findings and recommendations of committees and senior management and to consider and approve measures to be taken and changes in policies and procedures necessary to address risks and to enhance the system of internal control.

d) The Group has established three lines of defense in managing risks routinely on a daily basis in the following manner:

- First line of defense by Management and employees
- Second line of defense by the oversight functions
- Third line of defense by the internal auditors

e) An independent internal audit department reports directly to the ARMC on a regular basis on the adequacy of the Group's system of internal controls and to provide reasonable assurance on the effectiveness of the Group's system of internal controls including compliance with policies and procedures as detailed in an approved risk-based annual audit plan. The internal auditors also carried out follow-up reviews on the previous audit reports to ensure that appropriate actions have been implemented to address control weaknesses highlighted.

f) The Group has in place a management reporting mechanism whereby financial information is generated and reviewed by management and the Board on a regular basis. Performance and results are monitored on a monthly basis against the results of corresponding period of prior year, with major variances explained.

g) The Group Managing Director meets with the senior management regularly to review and resolve key operational, financial, personnel and other key management issues, including issues of risks and internal controls. Significant issues are tabled at Board meetings.

h) The Group Managing Director meets with the senior management regularly to conduct credit reviews, monitor receivables, progress of legal cases and formulates credit procedures and policies.

i) Employee training and development programs are conducted to enhance and improve employee competencies and proficiencies. This is implemented through a combination of on-the-job training, in-house training programs and external training courses.

j) Formal job descriptions with key performance indicators have been established for all employees.

k) The Group has in place Employee Handbook and Code of Ethics for directors to set the ethical standards for all employees and directors in their dealings with among others fellow employees, customers, shareholders, suppliers, authorities and the community.

l) The whistle-blowing policy and anti-bribery & corruption policy published in the Group's website www.asianpac.com.my/Corporate Governance/ is a commitment of the Board to integrity and ethical behaviour. The policy sets out the procedures for employees and the general public to disclose improper conduct within the Group without fear and favour.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

This statement is reviewed and approved by the Board of Directors in the meeting dated 26 August 2021. As required by Paragraph 15.23 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the external auditors have reviewed this statement. The external auditors have reviewed this statement pursuant to the scope set out in the Audit and Assurance Practice Guide 3 (Revised 2015), *Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report* issued by the Malaysian Institute of Accountants.

Based on procedures performed and evidence obtained, the external auditors have reported to the Board that nothing had come to their attention that caused them to believe that this statement intended to be included in the Annual Report of the Group in all material respects, has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the *Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers*, nor is the Statement factually inaccurate.

CONCLUSION

Based on the processes set out above, the Board is of the view that the Group's system of risk management and internal control are adequate and effective to safeguard the shareholders' investment and the Group's assets and has received assurance from the Managing Director, Executive Director and Financial Controller in this respect. In the financial year under review and up to the date of approval of this statement, it has not resulted in any material losses, contingencies or uncertainties that would require a disclosure in this Annual Report.

The Board and Management are committed towards operating a sound system of internal control and will continue to take pertinent measures to sustain and, where required, to improve the Group's systems of risk management and internal control in meeting the Group's strategic objectives or updated in line with changes in the operating environment.

FINANCIAL STATEMENTS

DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The Company is principally involved in the holding of securities for investment purposes, provision of management services and trading of building materials.

The principal activities of the subsidiaries and associates are disclosed in Notes 7 and 8 to the financial statements respectively.

RESULTS

	Group RM'000	Company RM'000
Loss for the year	(30,607)	(11,118)
Loss attributable to:		
Owners of the parent	(30,317)	(11,118)
Non-controlling interests	(290)	–
	(30,607)	(11,118)

There was no material transfer to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

No dividend has been paid or declared since the end of previous financial year.

The Directors do not recommend the payment of any dividend in respect of the current financial year.

DIRECTORS

The names of the Directors of the Company in office since the beginning of the financial year to the date of this report are:

Tan Sri Dato' Seri Hj. Megat Najmuddin bin Datuk Seri Dr Hj. Megat Khas*
Dato' Mustapha bin Buang*
Tan Siew Poh
Dr. Yu Tat Loong*
Soon Dee Hwee
Sherman Lam Yuen Suen
Datuk Mohamed Salleh bin Bajuri

* These Directors are also Directors of the Company's subsidiaries.

DIRECTORS' REPORT

DIRECTORS (CONT'D)

The names of the Directors of the Company's subsidiaries in office since the beginning of the financial year to the date of this report (not including those Directors listed above) are:

Mah Sau Cheong
Mah Siew Hoon
Lokman Bin Zakaria

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the Directors might acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate, other than those arising from the Irredeemable Convertible Unsecured Loan Stocks ("ICULS") and warrants issued by Asian Pac Holdings Berhad ("APHB") as disclosed in Note 15 to the financial statements.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the Directors or the fixed salary of a full-time employee of the Company and related corporations as shown in Note 24 to the financial statements) by reason of a contract made by the Company or a related corporation with any 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, except as disclosed in Note 33 to the financial statements.

DIRECTORS' INTERESTS

According to the register of Directors' shareholdings, the interests of Directors of the Company in office at the end of the financial year in shares, ICULS and warrants of the Company and its related corporations during the financial year were as follows:

	I------------- Number of APHB ordinary shares			-------------I
	1 April 2020	**Acquired**	**Sold**	**31 March 2021**
Direct interest:				
Tan Sri Dato' Seri Hj. Megat Najmuddin bin Datuk Seri Dr Hj. Megat Khas	194,800	–	–	194,800
Dato' Mustapha bin Buang	32,850,985	–	–	32,850,985
Datuk Mohamed Salleh bin Bajuri	500,000	–	–	500,000
Tan Siew Poh	2,188	–	–	2,188
Indirect interest:				
Dato' Mustapha bin Buang*	800,000	–	–	800,000

* Deemed interested through the shares held by his spouse.

DIRECTORS' INTERESTS (CONT'D)

According to the register of Directors' shareholdings, the interests of Directors of the Company in office at the end of the financial year in shares, ICULS and warrants of the Company and its related corporations during the financial year were as follows: (cont'd)

	Number of APHB ICULS			
	1 April 2020	Subscribed	Converted/ Sold	31 March 2021
Direct interest:				
Tan Sri Dato' Seri Hj. Megat Najmuddin bin Datuk Seri Dr Hj. Megat Khas	20,000	–	–	20,000
Dato' Mustapha bin Buang	313,650	–	–	313,650
Datuk Mohamed Salleh bin Bajuri	50,000	–	–	50,000
Tan Siew Poh	1,000	–	–	1,000
Indirect interest:				
Dato' Mustapha bin Buang*	1,000	–	–	1,000

* Deemed interested through the shares held by his spouse.

	Number of APHB warrants			
	1 April 2020	Allotted	Exercised/ Sold	31 March 2021
Direct interest:				
Tan Sri Dato' Seri Hj. Megat Najmuddin bin Datuk Seri Dr Hj. Megat Khas	40,000	–	–	40,000
Dato' Mustapha bin Buang	627,300	–	(625,300)	2,000
Datuk Mohamed Salleh bin Bajuri	100,000	–	–	100,000
Tan Siew Poh	2,000	–	–	2,000
Indirect interest:				
Dato' Mustapha bin Buang*	2,000	–	–	2,000

* Deemed interested through the shares held by his spouse.

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

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been the Director or officer of the Group and of the Company.

ISSUE OF SHARES AND DEBENTURES

The Company has not issued any new shares or debentures during the financial year.

RIGHTS ISSUE OF ICULS WITH WARRANTS

On 26 May 2017, a total of 99,256,461 RM1.00 nominal value 5-year 3% ICULS have been issued and allotted to the shareholders on the basis of one ICULS for every ten ordinary shares of the Company, together with 198,512,922 free new detachable warrants on the basis of two warrants for each ICULS subscribed.

The warrants were constituted by a Deed Poll dated 10 April 2017. The warrants were listed on the Main Market of the Bursa Malaysia Securities Berhad on 31 May 2017 and confer the right to holders at any time, not later than maturity date of 25 May 2022, to subscribe for one new ordinary share of the Company for every warrant at an exercise price of RM0.25 per share or as adjusted in certain circumstances as set out in the Deed constituting the warrants. Any warrants not exercised by the date of maturity will thereafter lapse and cease to be valid for any purpose.

The movements of ICULS and warrants during the financial year were as follows:

	I---------------- Number of APHB ICULS ------------------I			
	1 April 2020	**Issued**	**Converted**	**31 March 2021**
ICULS	90,343,961	–	(1,422,000)	88,921,961

	I---------------- Number of APHB warrants ---------------I			
	1 April 2020	**Issued**	**Exercised**	**31 March 2021**
Warrants	198,512,922	–	–	198,512,922

OTHER STATUTORY INFORMATION

(a) Before the statements of financial position, statements of profit or loss and statements of other comprehensive income of the Group and of the Company were made out, the Directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for expected credit losses and satisfied themselves that there were no known bad debts and that adequate allowance had been made for expected credit losses; and

(ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the Directors are not aware of any circumstances which would render:

(i) it necessary to write off any bad debts or the amount of the expected credit losses inadequate to any substantial extent; and

(ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

OTHER STATUTORY INFORMATION (CONT'D)

(c) At the date of this report, the Directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

(e) As at the date of this report, there does not exist:

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

(ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

(f) In the opinion of the Directors:

(i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and

(ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

SIGNIFICANT EVENTS

Significant events are disclosed in Note 32 to the financial statements.

SUBSEQUENT EVENT

Subsequent event is disclosed in Note 39 to the financial statements.

AUDITORS

The auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

Auditors' remuneration is as follows:

	Group RM'000	Company RM'000
Ernst & Young PLT	363	75

DIRECTORS' REPORT

AUDITORS (CONT'D)

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young PLT, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit. No payment has been made to indemnify Ernst & Young PLT during or since the financial year ended 31 March 2021.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 26 August 2021.

Tan Sri Dato' Seri Hj. Megat Najmuddin bin Datuk Seri Dr Hj. Megat Khas
Chairman

Dato' Mustapha bin Buang
Managing Director

STATEMENT BY DIRECTORS

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

We, Tan Sri Dato' Seri Hj. Megat Najmuddin bin Datuk Seri Dr Hj. Megat Khas and Dato' Mustapha bin Buang, being two of the Directors of Asian Pac Holdings Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 84 to 181 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 2021 and of their financial performance and cash flows for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 26 August 2021.

Tan Sri Dato' Seri Hj. Megat Najmuddin bin Datuk Seri Dr Hj. Megat Khas
Chairman

Dato' Mustapha bin Buang
Managing Director

STATUTORY DECLARATION

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

I, Wong Yee Kean, being the officer primarily responsible for the financial management of Asian Pac Holdings Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 84 to 181 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared
by the abovenamed Wong Yee Kean
at Kuala Lumpur in the Federal Territory
on 26 August 2021.

Wong Yee Kean
MIA 18594

Before me,
No. W530
Tan Seok Kett
BC/T/301
Commissioner for Oaths
Kuala Lumpur

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ASIAN PAC HOLDINGS BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Asian Pac Holdings Berhad and its subsidiaries, which comprise the statements of financial position as at 31 March 2021 of the Group and of the Company, and the statements of profit or loss, statements of other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 84 to 181.

In our opinion, the accompanying financial statements of the Group and of the Company give a true and fair view of the financial position of the Group and of the Company as at 31 March 2021, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key audit matters

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

We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

(a) Valuation of investment properties

(Refer to Note 2.4(g), Note 2.5(b)(i) and Note 5 to the financial statements)

As at 31 March 2021, the carrying value of the Group's investment properties carried at fair value amounted to approximately RM1,287,470,000 which represents approximately 63% of the Group's total assets.

During the financial year, the Group has recognised a net fair value downward adjustment of RM30,894,000 for its investment properties.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Key audit matters (cont'd)

(a) Valuation of investment properties (cont'd)

The Group adopts fair value model for its investment properties. When estimating the fair value of investment properties, the objective is to estimate the price that would be received from the sale of the investment property in an orderly transaction between market participants at the reporting date under current market conditions.

We considered valuation of the investment properties to be an area of audit focus due to the magnitude, complexity of valuation method and high dependency on a range of estimates (amongst others, rental income data and discount rate) which are based on current and future market or economic conditions. The Group had engaged independent valuers to determine the fair value of the investment properties at the reporting date.

Our audit procedures focused on the valuations performed by firms of independent valuers, which included amongst others the following procedures:

- We considered the objectivity, independence and expertise of the independent valuers;
- We obtained an understanding of the methodology adopted by the independent valuers in estimating the fair value of the investment properties and assessed whether such methodology is consistent with those used in the industry;
- As part of our evaluations of the fair values of investment properties, we had discussed the valuation with the independent valuers to obtain an understanding of the property related data used as input to the valuation models;
- For investment method of valuation (income approach), we assessed whether the key assumptions used in deriving the discounted cash flows such as rental rates for reversion period, void rate and outgoings are consistent with the historical trend of the properties. We also assessed whether the discount rate used to determine the present value of the cash flows reflects the return that investors would require if they were to choose an investment that would generate cash flows of amount, timing and risk profile equivalent to those that the entity expect to derive; and
- For the comparison method of valuation (market approach), we assessed the source data of the comparable transactions used by the valuers. We also obtained an understanding of the adjustments made by the valuer in accounting for differences in, amongst others, the property's location, time factor, property's size and tenure between the subject properties and the comparable properties.

(b) Revenue and cost of sales from property development activities recognised on percentage of completion method

(Refer to Note 2.4(l)(ii), Note 2.5(b)(ii), Note 20 and Note 21 to the financial statements)

For the financial year ended 31 March 2021, revenue of RM36,767,000 and cost of sales of RM26,110,000 from property development activities account for approximately 42% and 55% of the Group's revenue and cost of sales respectively. The Group uses the percentage of completion method in accounting for these property development activities.

The percentage of completion is determined by the proportion of property development cost incurred for work performed to date, to the estimated/budgeted total property development cost. We focused on this area because management made significant judgement in determining the percentage of completion, the extent of the property development cost incurred and the estimated/budgeted total property development cost.

INDEPENDENT AUDITORS' REPORT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Key audit matters (cont'd)

(b) Revenue and cost of sales from property development activities recognised on percentage of completion method (cont'd)

Our audit procedures focused on the assessment of the appropriateness of the extent of costs incurred, total estimated costs of construction and total estimated revenue collectively, which included amongst others, the following procedures:

We obtained an understanding of the internal controls over the accuracy and timing of revenue recognised in the financial statements, including controls performed by management in estimating the total property development cost, profit margin and progress towards completion of the property development activities;

We reviewed samples of sale and purchase agreements entered into with the customers for the property development project to obtain an understanding of the significant performance obligations, terms and conditions to be satisfied;

We evaluated the key assumptions applied in estimating the total property development costs for the property development project by examining documentary evidence such as letters of award issued to contractors to support the total budgeted costs. We also considered the historical accuracy of management's budget for the similar property development projects in evaluating the estimated total property development costs to be incurred; and

We evaluated the determination of percentage-of-completion by examining supporting evidence such as contractors' progress claims and suppliers' invoices.

(c) Investment in subsidiaries

(Refer to Note 2.4(b), Note 2.5(b)(iii) and Note 7 to the financial statements)

As at 31 March 2021, the carrying amount of the Company's investment in subsidiaries amounted to approximately RM458,991,000 which represents approximately 77% of the Company's total assets.

The net assets of the subsidiaries which were below the cost of investment reported by certain subsidiaries is viewed as indicators that the investment may be impaired.

The Company performed impairment reviews in respect of the investment in subsidiaries by comparing the carrying amount of the investments to their recoverable amounts. As a result of impairment review, the Company recognised a net impairment loss of RM4,709,000 during the financial year.

The Company estimated the recoverable amounts by using the value in use ("VIU") method.

Estimating the VIU involves estimating the future cash inflows and outflows that will be derived from the investment and discounting them at an appropriate rate.

We considered assessment of impairment on investment in subsidiaries to be an area of audit focus as it involves significant level of judgement and assumptions applied by management.

In addressing this area of audit focus, amongst others:

- We obtained an understanding of the relevant processes and internal control over the estimation of recoverable amount;
- We assessed the key assumptions used in estimating the VIU amongst others by comparing to the approved development feasibility study; and
- We assessed whether the rates used in discounting the future cash flows to their present value were appropriate.

INDEPENDENT AUDITORS' REPORT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Information other than the financial statements and the auditors' report thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the Group's 2021 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 identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of the Directors for the financial statements

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

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

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 skepticism 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 the Company's internal control.

INDEPENDENT AUDITORS' REPORT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

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 skepticism throughout the audit. We also: (cont'd)

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

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

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

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

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

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current 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.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Sundralingam A/L Navaratnam
No. 02984/05/2022 J
Chartered Accountant

Kuala Lumpur, Malaysia
26 August 2021

STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Note	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
Assets					
Non-current assets					
Property, plant and equipment	3	7,309	7,530	11	5
Inventories - Land held for property development	4(a)	347,114	376,583	–	–
Investment properties	5	1,287,470	1,318,364	–	–
Intangible asset	6	37,276	37,370	–	–
Investments in subsidiaries	7	–	–	458,991	462,950
Investment in associates	8	488	–	490	–
Non-current financial asset	9	4,856	1,942	1,593	638
Deferred tax assets	10	116	160	18	4
		1,684,629	1,741,949	461,103	463,597
Current assets					
Inventories - Property development costs	4(b)	163,973	133,039	–	–
Inventories - Completed properties and others	4(c)	26,773	6,383	–	–
Trade and other receivables	11	67,563	53,171	129,725	112,244
Contract assets in respect of property development	11(d)	2,848	43,972	–	–
Accrued income		1,550	2,005	–	–
Prepayment		480	441	43	70
Tax recoverable		1,380	1,594	98	78
Short term investments	12	16,266	13,044	900	2,062
Cash and bank balances	13	70,149	45,396	1,050	1,145
		350,982	299,045	131,816	115,599
Total assets		2,035,611	2,040,994	592,919	579,196

STATEMENTS OF FINANCIAL POSITION

	Note	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
Equity and liabilities					
Equity attributable to owners of the parent					
Share capital	14	212,399	210,977	212,399	210,977
Other reserves	15	78,746	77,041	155,014	155,268
Retained earnings		774,726	805,075	149,349	160,499
		1,065,871	1,093,093	516,762	526,744
Non-controlling interests		3,259	3,549	–	–
Total equity		1,069,130	1,096,642	516,762	526,744
Non-current liabilities					
Deferred tax liabilities	10	234,949	241,820	–	–
Trade and other payables	17	128,910	155,246	12,705	12,283
Lease liabilities	18	968	795	–	–
Loans and borrowings	16	363,687	397,869	5,111	7,581
		728,514	795,730	17,816	19,864
Current liabilities					
Loans and borrowings	16	122,224	63,315	25,000	25,000
Trade and other payables	17	92,180	69,830	33,341	7,588
Lease liabilities	18	998	697	–	–
Provisions	19	20,599	12,253	–	–
Prepayment from tenants		734	684	–	–
Tax payable		1,232	1,843	–	–
		237,967	148,622	58,341	32,588
Total liabilities		966,481	944,352	76,157	52,452
Total equity and liabilities		2,035,611	2,040,994	592,919	579,196

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF PROFIT OR LOSS

FOR THE YEAR ENDED 31 MARCH 2021

	Note	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
Revenue	20	88,252	178,173	4,433	14,422
Cost of sales	21	(47,519)	(101,406)	(301)	(2,080)
Gross profit		40,733	76,767	4,132	12,342
Other income	22	33,153	39,900	170	12,517
Employee benefits expense	23	(18,690)	(19,154)	(2,698)	(3,137)
Depreciation		(2,691)	(2,757)	(5)	(7)
Other expenses		(51,473)	(14,425)	(10,073)	(5,126)
Operating profit/(loss)		1,032	80,331	(8,474)	16,589
Finance costs	25	(34,180)	(26,748)	(2,639)	(3,720)
Share of result of associate		(2)	–	–	–
(Loss)/profit before tax	26	(33,150)	53,583	(11,113)	12,869
Income tax benefit/(expense)	27	2,543	(5,365)	(5)	(3)
(Loss)/profit after tax		(30,607)	48,218	(11,118)	12,866
(Loss)/profit attributable to:					
Owners of the parent		(30,317)	48,301	(11,118)	12,866
Non-controlling interests		(290)	(83)	–	–
		(30,607)	48,218	(11,118)	12,866
(Loss)/earnings per share attributable to owners of the parent (sen per share):					
Basic (loss)/earnings per share					
Before mandatory conversion of ICULS	28(a)	(2.9)	4.7		
After mandatory conversion of ICULS	28(a)	(2.0)	3.2		
Diluted (loss)/earnings per share	28(b)	(2.0)	3.2		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2021

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
(Loss)/Profit for the year	(30,607)	48,218	(11,118)	12,866
Other comprehensive income/(loss):				
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods (net of tax):				
Fair value gain/(loss) on financial assets at fair value through other comprehensive income	2,914	(2,186)	955	(716)
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods	2,914	(2,186)	955	(716)
Total comprehensive (loss)/income for the year, net of tax	(27,693)	46,032	(10,163)	12,150
Total comprehensive (loss)/income attributable to:				
Owners of the parent	(27,403)	46,115	(10,163)	12,150
Non-controlling interests	(290)	(83)	–	–
	(27,693)	46,032	(10,163)	12,150

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2021

Group

	Attributable to owners of the parent						
	Non-distributable			Distributable			
	Share capital RM'000 (Note 14)	Other reserves RM'000 (Note 15)	Revaluation surplus RM'000 (Note 15)	Retained earnings RM'000	Total RM'000	Non controlling interests RM'000 (Note 7)	Total equity RM'000
At 31 March 2021							
At 1 April 2020	210,977	76,125	916	805,075	1,093,093	3,549	1,096,642
Total comprehensive income/(loss) for the year	–	2,914	–	(30,317)	(27,403)	(290)	(27,693)
Conversion of ICULS	1,422	(1,209)	–	(32)	181	–	181
At 31 March 2021	212,399	77,830	916	774,726	1,065,871	3,259	1,069,130
At 31 March 2020							
At 1 April 2019	210,977	78,311	916	756,774	1,046,978	2,835	1,049,813
Total comprehensive (loss)/income for the year	–	(2,186)	–	48,301	46,115	(83)	46,032
Increase of subsidiary's share capital	–	–	–	–	–	15	15
Acquisition of a subsidiary	–	–	–	–	–	782	782
At 31 March 2020	210,977	76,125	916	805,075	1,093,093	3,549	1,096,642

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021

Company

	I--- Non-distributable ---I		Distributable	
	Share capital RM'000 (Note 14)	**Other reserves RM'000 (Note 15)**	**Retained earnings RM'000**	**Total equity RM'000**
At 31 March 2021				
At 1 April 2020	210,977	155,268	160,499	526,744
Total comprehensive income/(loss) income for the year	–	955	(11,118)	(10,163)
Conversion of ICULS	1,422	(1,209)	(32)	181
At 31 March 2021	212,399	155,014	149,349	516,762
At 31 March 2020				
At 1 April 2019	210,977	155,984	147,633	514,594
Total comprehensive (loss)/income for the year	–	(716)	12,866	12,150
At 31 March 2020	210,977	155,268	160,499	526,744

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Note	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
Cash flows from operating activities					
(Loss)/profit before tax		(33,150)	53,583	(11,113)	12,869
Adjustments for:					
Depreciation of property, plant and equipment	3	2,691	2,757	5	7
Net loss on changes in fair value of investment properties	5	30,894	1,256	–	–
Gain on fair value adjustments of financial assets at fair value through profit or loss	22	(1,186)	(733)	(50)	(217)
Gain on disposal of quoted investment	22	(5,980)	–	–	–
Gain from investment in loan asset					
- interest income	22	(15,509)	–	–	–
- net reversal of expected credit loss	22	(1,019)	–	–	–
Gain on disposal of property, plant and equipment	26	(1)	(129)	–	–
Gain on termination of right-of-use	26	–	(2)	–	–
Gain on acquisition of a subsidiary	7	–	(3,040)	–	–
Impairment on:					
- intangible asset	6	94	294	–	–
- investment in subsidiaries	7	–	–	4,745	3,698
- trade and other receivables	26	6,886	19	4,514	–
Loss on land compensation	26	42	–	–	–
Reversal of impairment loss on investment in subsidiaries	7	–	–	(36)	(12,300)
Reversal of provision for property development obligations	22	–	(4,461)	–	–
Unwinding of discount on long term liabilities	22	(132)	(25,142)	–	–
Write back impairment in quoted investment		(7)	–	–	–
Write off of property, plant & equipment	26	1	2	–	–
Write back of impairment for expected credit losses	22	(406)	(13)	–	–
Share of result of associate	8	2	–	–	–
Interest expense	25	34,180	26,748	2,639	3,720
Interest income	20, 22	(775)	(2,548)	(11)	(520)
Dividend income	20	(863)	–	–	(8,200)
Operating profit/(loss) before working capital changes		15,762	48,591	693	(943)

STATEMENTS OF CASH FLOWS

	Note	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
Cash flows from operating activities (cont'd)					
Changes in working capital:					
Decrease/(increase) in property development costs		22,689	(27,969)	–	–
(Increase)/decrease in trade and other receivables		(977)	65,856	(15,518)	(315)
Decrease in inventories		6,317	18,226	–	–
(Decrease)/increase in trade and other payables		(7,619)	(29,307)	461	(1,162)
Changes in subsidiaries balances		–	–	18,842	(21,318)
Cash generated from/(used in) operations		36,172	75,397	4,478	(23,738)
Interest received		11	523	11	523
Dividend received		–	–	–	8,200
Taxes (paid)/refund		(4,681)	4,039	(39)	(70)
Net cash generated from/(used in) operating activities		31,502	79,959	4,450	(15,085)
Cash flows from investing activities					
Interest received		572	1,998	–	–
Net withdrawal of short term investments		301	9,124	1,212	16,894
Increase in pledged cash and short term deposits		(7,766)	(10,218)	(11)	(16)
Purchase of property, plant and equipment	3	(1,045)	(2,139)	(11)	–
Additions to investment properties		–	(50)	–	–
Increase in paid-up share capital of a subsidiary		–	15	–	(135)
Acquisition of a subsidiary	7(b)	–	(4,000)	–	(4,000)
Incorporation of a new subsidiary	7	–	–	(750)	–
Acquisition of an associate		(490)	–	(490)	–
Proceeds from disposal of investment property		–	44	–	–
Proceeds from disposal of property, plant and equipment		1	48	–	–
Addition of short term investment		(18,000)	–	–	–
Proceeds from disposal of short term investment		21,627	–	–	–
Proceeds from land compensation received		1,985	–	–	–
Additions to inventories - land held for development		(5,646)	(172,257)	–	–
Deferred cash consideration settlement on acquisition of subsidiary	7(b)	(60)	(650)	–	–
Purchase of loan assets		–	(27,678)	–	–
Net cash (used in)/generated from investing activities		(8,521)	(205,763)	(50)	12,743

STATEMENTS OF CASH FLOWS

	Note	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
Cash flows from financing activities					
Repayment of hire purchase payables	16(h)	(110)	(246)	–	(39)
Payment of lease liabilities	18	(1,061)	(603)	–	–
Drawdown of loans	16(h)	65,300	218,750	–	–
Repayment of term loans	16(h)	(39,843)	(87,050)	–	–
Interest paid	16(h)	(30,280)	(29,113)	(4,506)	(4,841)
Net cash (used in)/generated from financing activities		(5,994)	101,738	(4,506)	(4,880)
Net increase/(decrease) in cash and cash equivalents		16,987	(24,066)	(106)	(7,222)
Cash and cash equivalents at beginning of year		23,469	47,535	591	7,813
Cash and cash equivalents at end of year	13	40,456	23,469	485	591

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
- 31 MARCH 2021

1. CORPORATE INFORMATION

The Company is a public limited liability company incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at 12th Floor, Menara SMI, No. 6, Lorong P. Ramlee, 50250 Kuala Lumpur and the principal place of business of the Company is located at Ground Floor, Menara SMI, No.6, Lorong P. Ramlee, 50250 Kuala Lumpur.

The Company is principally involved in the holding of securities for investment purposes, provision of management services and trading of building materials. The principal activities of the subsidiaries and associates are disclosed in Notes 7 and 8, respectively.

There has been no significant change in the nature of the principal activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 26 August 2021.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

These set of financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards (“”MFRS””), International Financial Reporting Standards (“”IFRS””) and the requirements of Companies Act 2016 in Malaysia.

These set of financial statements have been prepared under the historical cost basis except when otherwise disclosed. Furthermore, these set of financial statements are presented in Ringgit Malaysia (“RM”) and all values are rounded to the nearest thousand (“RM’000”) except when otherwise indicated.

2.2 Effects of adopting new and amended Malaysian Financial Reporting Standards

The accounting policies adopted are consistent with those of the previous financial year, except for the changes arising from the adoption of the following MFRS, Interpretations and amendments that are mandatory for annual periods beginning on or after 1 April 2020.

Amendments to MFRS 16	COVID-19-Related Rent Concessions

The adoption of above standard has no significant impact to the financial statements of the Group and the Company.

2.3 Standards, interpretations and amendments issued but not yet effective

The standards, amendments to MFRSs and interpretations that are issued but not yet effective up to the date of issuance of the Group’s and the Company’s financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

Effective for financial periods beginning on or after 1 January 2021:

Amendments to MFRS 16	COVID-19-Related Rent Concessions beyond 30 June 2021
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16	Interest Rate Benchmark Reform - Phase 2

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Standards, interpretations and amendments issued but not yet effective (cont'd)

Effective for financial periods beginning on or after 1 January 2022:

Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018 - 2020 Cycle)
Amendments to MFRS 3	Reference to the Conceptual Framework
Amendments to MFRS 9	Financial Instruments (Annual Improvements to MFRS Standards 2018 - 2020 Cycle)
Amendments to MFRS 116	Property, Plant and Equipment - Proceeds before Intended Use
Amendments to MFRS 137	Onerous Contracts - Cost of Fulfilling a Contract
Amendments to MFRS 141	Agriculture (Annual Improvements to MFRS Standards 2018 - 2020 Cycle)

Effective for financial periods beginning on or after 1 January 2023:

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 101	Classification of Liabilities as Current or Non-Current
Amendments to MFRS 101	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Effective date deferred to a date to be determined by MASB:

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

2.4 Summary of significant accounting policies

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The Company controls an investee if and only if the Company has all the following:

(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);

(ii) Exposure, or rights, to variable returns from its investment with the investee; and

(iii) The ability to use its power over the investee to affect its returns.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(a) Basis of consolidation (cont'd)

When the Company has less than a majority of the voting rights of an investee, the Company considers the following in assessing whether or not the Company's voting rights in an investee are sufficient to give it power over the investee:

(i) The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;

(ii) Potential voting rights held by the Company, other vote holders or other parties;

(iii) Rights arising from other contractual arrangements; and

(iv) Any additional facts and circumstances that indicate that there are changes to one or more of the three elements of control.

Subsidiaries are consolidated when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. The resulting difference is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets and liabilities of the subsidiary and any non-controlling interest, is recognised in profit or loss. The subsidiary's cumulative gain or loss which has been recognised in OCI and accumulated in equity are reclassified to statement of profit or loss or where applicable, transferred directly to retained earnings. The fair value of any investment retained in the former subsidiary at the date control is lost is regarded as the cost on initial recognition of the investment.

Business combinations

Acquisitions of subsidiaries are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs incurred are expensed and included in administrative expenses.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes in the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in accordance with MFRS 9 either in profit or loss or as a change to OCI.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(a) Basis of consolidation (cont'd)

Business combinations (cont'd)

If the contingent consideration is classified as equity, it will not be remeasured. Subsequent settlement is accounted for within equity. In instances where the contingent consideration does not fall within the scope of MFRS 9, it is measured in accordance with the appropriate MFRS.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss. The accounting policy for goodwill is set out in Note 2.4(d).

Business combinations involving entities under common control are accounted for by applying the pooling of interest method. The acquisition of equity interest in the previous years have been accounted for as a business combination involving entities under common control. Accordingly, the assets and liabilities of combining entities are reflected at their carrying amounts reported in the consolidated financial statements of the controlling holding company. Any difference between the consideration paid, the share capital of the "acquired" entity and the pre-acquisition reserves as at date of common control is reflected within equity as merger reserve.

(b) Subsidiaries

A subsidiary is an entity over which the Group has all the following:

(i) power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);

(ii) exposure, or rights, to variable returns from its investment with the investee; and

(iii) the ability to use its power over the investee to affect its returns.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses. On disposal of such investment, the difference between net disposal proceeds and its carrying amount is included in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(c) Transactions with non-controlling interests

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statement of profit or loss and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company.

Changes in the Company owners' ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the parent.

(d) Intangible asset

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities.

Goodwill is not amortised but instead, is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

For the purpose of impairment testing, goodwill acquired is allocated, from the acquisition date, to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination.

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired, by comparing the carrying amount of the cash-generating unit, including the allocated goodwill, with the recoverable amount of the cash-generating unit. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the profit or loss. Impairment losses recognised for goodwill cannot be reversed in future periods.

Where goodwill forms part of a cash-generating unit and part of the operation within that cash-generating unit (CGU) is disposed off, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the cash-generating unit retained.

Development rights is initially recognised at cost and subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. Development rights is amortised progressively over the development period using the percentage of completion method.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(e) Investment in associates

An associate is an entity, not being a subsidiary nor a joint venture, in which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not in control or joint control over those policies.

On acquisition of an investment in an associate, any excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill and included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities of the investee over the cost of investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associate's profit or loss for the period in which the investment is acquired.

An associate is equity accounted for from the date on which the investee becomes an associate. Under the equity method, on initial recognition the investment in an associate is recognised at cost, and the carrying amount is increased or decreased to recognise the Group's share of the profit or loss and OCI of the associate after the date of acquisition. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss with respect to its net investment in the associate. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired, by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss is recognised in profit or loss. Reversal of an impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

The financial statements of the associate are prepared as of the same reporting date as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

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

In the Company's separate financial statements, investment in an associate is accounted for at cost less impairment losses. On disposal of such investment, the difference between net disposal proceeds and its carrying amount is included in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(f) Property, plant and equipment, and depreciation

All items of property, plant and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Subsequent to recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of property, plant and equipment is provided for on a straight-line basis to write off the cost or valuation of each asset to its residual value over the estimated useful life, at the following annual rates:

Long term leasehold land	1%
Long term leasehold buildings	1% - 2%
Motor vehicles	20%
Office furniture and equipment	20%
Plant, tools and machinery	20%
Renovation	20%

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the net carrying amount) is included in the statement of profit or loss when the asset is derecognised.

(g) Investment properties

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value which reflects market conditions at the reporting date. Fair value is arrived at using the comparison method considering recent market transactions for similar properties in the same location as well as the investment method that makes reference to estimated market rental values and equivalent yields. Valuations are performed by accredited independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise, including the corresponding tax effect.

Subsequent expenditure is included in the carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are recognised in profit or loss during the financial period in which they are incurred.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(g) Investment properties (cont'd)

A property interest under an operating lease is classified and accounted for as an investment property on a property-by-property basis when the Group holds it to earn rentals or for capital appreciation or both. Any such property interest under an operating lease classified as an investment property is carried at fair value.

Investment properties are derecognised when either they have been disposed of (i.e., at the date the recipient obtains control) or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner-occupied property to investment property, the property is accounted for in accordance with the accounting policy for property, plant and equipment as set out in Note 2.4(f) up to the date of change in use.

(h) Contract assets and contract liabilities

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs a transfer of goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs the contract.

(i) Impairment of non-financial assets

The Group and the Company assess at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group and the Company make an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flow (cash-generating units ("CGU")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(i) Impairment of non-financial assets (cont'd)

Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to OCI. In this case, the impairment is also recognised in OCI up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in a subsequent period.

(j) Financial assets

(i) Recognition and initial measurement

Financial assets are classified, at initial recognition, as well as subsequent measurement at amortised cost, fair value through OCI, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's and the Company's business model for managing them.

With the exception of trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient, the Group and the Company initially measure a financial asset at its fair value plus, transaction costs, in the case of a financial asset not at fair value through profit or loss.

Trade receivables that do not contain a significant financing component or if the period between performance and payment is 1 year or less under practical expedient of MFRS 15, are measured at the transaction price determined under MFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest ("SPPI")' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's and the Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place ("regular way trades") are recognised on the trade date, that is the date that the Group or the Company commits to purchase or sell the asset.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(j) Financial assets (cont'd)

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

(a) Financial assets at amortised cost (debt instruments)

(b) Financial assets at fair value through OCI (equity instruments)

(c) Financial assets at fair value through profit or loss

Financial assets at amortised cost

This category is the most relevant to the Group and the Company. The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

i. The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and

ii. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. Loan assets are carried at amortised cost.

Financial assets at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under MFRS 132 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group has elected to classify irrevocably its equity investments under this category.

Financial assets at fair value through profit or loss

Assets that do not meet the criteria for amortised costs or fair value through other comprehensive income ("FVOCI") are measured at fair value through profit or loss ("FVTPL"). Fair value changes is recognised in profit or loss and presented net within 'net gains and losses on financial instruments' in the period which it arises.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(j) Financial assets (cont'd)

(iii) Derecognition

A financial asset is derecognised when:

(a) The rights to receive cash flows from the asset have expired, or

(b) The Group and the Company have transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

i. The Group and the Company have transferred substantially all the risks and rewards of the asset, or

ii. The Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

When the Group and the Company have transferred their rights to receive cash flows from an asset or have entered into a pass-through arrangement, they evaluate if, and to what extent, they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company would be required to repay.

(k) Impairment of financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debt instruments carried at amortised cost and fair value through OCI. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(k) Impairment of financial assets (cont'd)

For trade receivables, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognise a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group and the Company consider a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group and the Company may also consider a financial asset to be in default when internal or external information indicates that the Group and the Company are unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group and the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(l) Inventories

(i) Land held for property development

Land held for property development consists of land where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is stated at cost less any accumulated impairment losses.

Land held for property development is reclassified to property development costs (classified within current assets) when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

Land held for property development comprises costs associated with the acquisition of land and all costs incurred subsequent to the acquisition but prior to the transfer to property development costs on activities necessary to prepare the land for its intended use.

Costs associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies. Where the Group had previously recorded the land at revalued amount, it continues to retain this amount as its surrogate cost as allowed by MFRS 102.

(ii) Property development costs

Property development costs comprise all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities. Costs consist of land and development expenditure. Development expenditures include borrowing costs relating to the financing of the land and development. The borrowing cost will ceased to be capitalised upon the commencement of the sale the development units.

When the financial outcome of a development activity can be reliably estimated, property development revenue and expenses are recognised in the profit or loss by using the percentage of completion method. The percentage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(l) Inventories (cont'd)

(ii) Property development costs (cont'd)

Where the financial outcome of a development activity cannot be reliably estimated, property development revenue is recognised only to the extent of property development costs incurred that it is probable will be recoverable, and property development costs on properties sold are recognised as an expense in the period in which they are incurred.

Any expected loss on a development project, including costs to be incurred over the defects liability period, is recognised as an expense immediately.

Property development costs not recognised as an expense are recognised as an asset, which is measured at the lower of cost and net realisable value.

The excess of revenue recognised in the profit or loss over billings to purchasers is classified as contract assets within current assets and the excess of billings to purchasers over revenue recognised in profit or loss is classified as contract liabilities within current liabilities.

(iii) Inventories of completed properties

Inventories of completed properties are stated at lower of cost (determined on the specific identification basis) and net realisable value ("NRV"). Cost includes costs associated with the acquisition of land, direct costs and appropriate proportions of common costs.

NRV is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

(iv) Inventories of consumables and general supplies

Inventories represent general supplies used in the daily operations of mall and car parks. The inventories are measured at the lower of cost and net realisable value. The cost of inventories is measured based on first-in-first-out basis, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

(m) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank balances, demand deposits, and short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(n) Financial liabilities

(i) Recognition and initial measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings and payables.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's and the Company's financial liabilities include trade and other payables and loans and borrowings.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(n) Financial liabilities (cont'd)

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group and the Company that are not designated as hedging instruments in hedge relationships as defined by MFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gain or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in MFRS 9 are satisfied. The Group and the Company have not designated any financial liability as at fair value through profit or loss.

Loans and borrowings

This is the category most relevant to the Group and the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings.

Subsequent to initial recognition, loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in the profit or loss when the liabilities are derecognised as well as through the amortisation process.

(iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(o) Provisions

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably measured.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

(p) Leases

The Group and the Company assess at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Group and the Company apply a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group and the Company recognise lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Group and the Company recognise right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Leasehold buildings	2-50 years

If ownership of the leased asset transfers to the Group and the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section Impairment of non-financial assets.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(p) Leases (cont'd)

As a lessee (cont'd)

(ii) Lease liabilities

At the commencement date of the lease, the Group and the Company recognise lease liabilities measured at the present value of lease payments to be made over the lease term.

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and the Company and payments of penalties for terminating the lease, if the lease term reflects the Group and the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group and the Company use its incremental financing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest/profit and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. Low-value assets are those assets valued at less than RM20,000 each when purchased new. The Group and the Company recognise the lease payments associated with these leases as an expense over the lease term.

As a lessor

Leases in which the Group and the Company do not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. The accounting policy for rental income is set out in Note 2.4(w).

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(q) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of a qualifying asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use. Capitalisation of borrowing costs shall cease when substantially all the activities to prepare the asset for its intended use or sale are completed.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred with borrowing of funds.

(r) Income taxes

(i) Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in OCI or directly in equity.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Where investment properties are carried at their fair value in accordance with the accounting policy set out in Note 2.4(g), the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(r) Income taxes (cont'd)

(ii) Deferred tax (cont'd)

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(s) Employee benefits

(i) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group and the Company. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the country in which it has operations. The Group makes contributions to the Employees Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to the defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(t) Foreign currencies

(i) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Group's and the Company's functional currency.

(ii) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items, or on the translation of monetary items, are included in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in OCI and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of foreign operation.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(t) Foreign currencies (cont'd)

(iii) Foreign operations

The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the reporting date and their statements of profit or loss are translated at exchange rates at the dates of transactions. The exchange differences arising on the translation for consolidation are taken directly to OCI.

On disposal of a foreign operation, the cumulative amount recognised in OCI are accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in profit or loss.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the reporting date.

(u) Current versus non-current classification

The Group and the Company present assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

(i) Expected to be realised or intended to be sold or consumed in normal operating cycle;
(ii) Held primarily for the purpose of trading;
(iii) Expected to be realised within twelve months after the reporting period; or
(iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

(i) It is expected to be settled in normal operating cycle;
(ii) It is held primarily for the purpose of trading;
(iii) It is due to be settled within twelve months after the reporting period; or
(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

(v) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) In the principal market for the asset or liability, or
(ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group and the Company.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(v) Fair value measurement (cont'd)

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

The Group and the Company use valuation techniques that are appropriate in circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimising the use of unobservable inputs.

The Group measures investment properties at fair value, with changes in fair values being recognised in profit or loss. The Group had engaged independent professional valuers to determine the fair values as at the reporting date.

(w) Revenue and other income

(i) Revenue from property development

Contracts with customers may include multiple promises to customers and therefore accounted for as separate performance obligations. In this case, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. When these are not directly observable, they are estimated based on expected cost plus margin.

The revenue from property development is measured at the fixed transaction price agreed under the sale and purchase agreement.

Revenue from property development is recognised as and when the control of the asset is transferred to the customer and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

(ii) Sale of building materials

Revenue from the sale of building materials are recognised net of discounts at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is not recognised to the extent where there are significant uncertainties regarding the recovery of the consideration due, associated costs or the possible return of goods.

(iii) Car park operations

Revenue from car park operations are recognised as and when the services are rendered.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(w) Revenue and other income (cont'd)

(iv) Interest income

For all financial instruments measured at amortised cost and interest-bearing financial assets classified as fair value through OCI, interest income is recorded using the effective interest rate ("EIR") method.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in revenue and other income in the statement of profit or loss.

(v) Rental income

Rental income is recognised on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

(vi) Dividend income

Dividend income is recognised when the right to receive payment is established.

(vii) Management fees

Management fees are recognised when these services are rendered.

(viii) Sale of inventories of completed properties

Revenue from the sale of inventories of completed properties is recognised net of discounts at the point in time when control of the properties is transferred to the customer, generally on delivery of the goods. Revenue is not recognised to the extent where there are significant uncertainties regarding the recovery of the consideration due, associated costs or the possible return of properties.

(ix) Accrued income

Accrued income arises from difference between the rental income which is recognised on a straight-line basis over the entire lease term and the rental income billed to the tenants and accrued interest income.

(x) Tenant deposits

Tenant deposits liabilities are initially recognised at fair value and subsequently measured at amortised cost where material. Any difference between the initial fair value and the nominal amount is included as a component of operating lease income and recognised on a straight-line basis over the lease term.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of significant accounting policies (cont'd)

(y) Segment reporting

For management reporting purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly reviews the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 37, including the factors used to identify the reportable segments and the measurement basis of segment information.

(z) Share capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

(aa) Compound financial instruments

A compound financial instrument is a non-derivative financial instrument that contains both a liability and an equity component. Compound financial instruments issued by the Group comprise convertible notes that can be converted to share capital at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value.

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

(ab) Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group.

Contingent liabilities and assets are not recognised in the statements of financial position of the Group.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Significant accounting judgements and estimates

(a) Judgements made in applying accounting policies

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

(i) Classification between investment properties and property, plant and equipment

The Group has developed certain criteria based on MFRS 140 in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately.

If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property.

(ii) Operating lease commitments - Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

(b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Fair values of investment properties

The Group carries its investment properties at fair value, with changes in fair values being recognised in profit or loss. Significant judgement is required in determining fair value which may be derived based on different valuation methods. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists. The Group engaged independent valuation specialists to determine fair value as at 31 March 2021.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Significant accounting judgements and estimates (cont'd)

(b) Key sources of estimation uncertainty (cont'd)

(ii) Property development

The Group recognises property development revenue and expenses in profit or loss by using the percentage of completion method. The percentage of completion is determined by the proportion that property development costs incurred for work performed to date to the estimated total property development costs.

Significant judgement is required in determining the percentage of completion, the extent of the property development costs incurred, the estimated total property development revenue and costs, as well as the recoverability of the development projects. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists. Details of property development costs are disclosed in Note 4(b).

(iii) Investments in subsidiaries

Management determines whether the carrying amount of the Company's investments in subsidiaries are impaired as at reporting date. This involves measuring the recoverable amounts of investments in subsidiaries by using the Value In Use (''VIU") method. Estimating VIU involves estimating the future cash inflows and outflows that will be derived from the CGU and discounting them at an appropriate rate.

Management has performed impairment assessment by comparing the carrying amounts of investments in subsidiaries against their recoverable amounts based on the VIU method. The key assumptions involved in the assessment of the VIU are revenue growth rate, discount rate, amongst others.

The carrying amount of the Company's investments in subsidiaries at the reporting date is disclosed in Note 7.

(iv) Provision for Expected Credit Losses ("ECL") of Trade and Other Receivables

The Group uses a provision matrix to calculate ECL for trade and other receivables. The provision rates are based on days past due for grouping of various customers segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical credit loss experience with forward looking information. At every reporting date, historical default rates are updated and changes in the forward looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances and of the forecast economic conditions. The Group's historical credit loss experience and forecast of economic condition may also not be representative of customer's actual default in future. The information about ECL on the Group's trade and other receivables is disclosed in Note 11.

NOTES TO THE FINANCIAL STATEMENTS

3. PROPERTY, PLANT AND EQUIPMENT

	At cost				
Group	**Long term leasehold buildings RM'000**	**Long term leasehold land RM'000**	**Motor vehicles, office furniture, equipment, plant, tools, machinery and renovation RM'000**	**Right-of-use assets RM'000**	**Total RM'000**
At 31 March 2021					
At cost					
At 1 April 2020	–	–	20,899	4,137	25,036
Additions	–	–	1,045	1,426	2,471
Disposals	–	–	(168)	–	(168)
Write off	–	–	(2)	–	(2)
At 31 March 2021	–	–	21,774	5,563	27,337
Accumulated depreciation					
At 1 April 2020	–	–	16,545	961	17,506
Depreciation charge for the year (Note 26)	–	–	1,670	1,021	2,691
Disposals	–	–	(168)	–	(168)
Write off	–	–	(1)	–	(1)
At 31 March 2021	–	–	18,046	1,982	20,028
Net carrying amount					
At 31 March 2021	–	–	3,728	3,581	7,309

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

Group	Long term leasehold buildings RM'000	Long term leasehold land RM'000	Motor vehicles, office furniture, equipment, plant, tools, machinery and renovation RM'000	Right-of-use assets RM'000	Total RM'000
	At cost				
At 31 March 2020					
At cost					
At 1 April 2019	763	170	19,334	–	20,267
Effect of adoption of MFRS 16					
- Adjustment on initial application of MFRS 16	–	–	–	748	748
- Transfer of right-of-use assets	(763)	(170)	–	933	–
	(763)	(170)	–	1,681	748
As restated	–	–	19,334	1,681	21,015
Additions	–	–	2,139	1,371	3,510
Transfer from inventories (Note 4 (c))	–	–	–	1,224	1,224
Disposals/termination	–	–	(566)	(139)	(705)
Write off	–	–	(8)	–	(8)
At 31 March 2020	–	–	20,899	4,137	25,036

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

Group	At cost: Long term leasehold buildings RM'000	Long term leasehold land RM'000	Motor vehicles, office furniture, equipment, plant, tools, machinery and renovation RM'000	Right-of-use assets RM'000	Total RM'000
At 31 March 2020 (cont'd)					
Accumulated depreciation					
At 1 April 2019	326	88	14,959	–	15,373
Transfer of right-of-use assets	(326)	(88)	–	414	–
Depreciation charge for the year (Note 26)	–	–	2,150	607	2,757
Disposals/termination	–	–	(558)	(60)	(618)
Write off	–	–	(6)	–	(6)
At 31 March 2020	–	–	16,545	961	17,506
Net carrying amount					
At 31 March 2020	–	–	4,354	3,176	7,530

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

Company	Motor vehicles RM'000	Office furniture and equipment RM'000	Total RM'000
At 31 March 2021			
At cost			
At 1 April 2020	1,086	161	1,247
Additions	–	11	11
At 31 March 2021	1,086	172	1,258
Accumulated depreciation			
At 1 April 2020	1,086	156	1,242
Depreciation charge for the year (Note 26)	–	5	5
At 31 March 2021	1,086	161	1,247
Net carrying amount			
At 31 March 2021	–	11	11
At 31 March 2020			
At cost			
At 1 April 2019/31 March 2020	1,086	161	1,247
Accumulated depreciation			
At 1 April 2019	1,086	149	1,235
Depreciation charge for the year (Note 26)	–	7	7
At 31 March 2020	1,086	156	1,242
Net carrying amount			
At 31 March 2020	–	5	5

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

During the financial year, the Group acquired the property, plant and equipment of RM1,045,000 (2020: RM2,139,000) for cash.

(a) Long term leasehold land and building of the Group, stated at cost

During last financial year, the Group's inventory of RM1,224,000 was reclassified to property, plant and equipment because there was a change in the use of the asset (Note 4 (c)).

(b) Fully depreciated assets

Included in property, plant and equipment of the Group and of the Company are the costs of fully depreciated assets which are still in use as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Motor vehicles	3,871	4,033	1,086	1,086
Office furniture and equipment	5,020	4,771	153	147
Renovation	4,795	4,779	–	–
	13,686	13,583	1,239	1,233

(c) Assets held under hire purchase arrangements

Leased assets are pledged as security for the related hire purchase liabilities (Note 16(e)). Net carrying amounts of property, plant and equipment held under hire purchase arrangements are as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Motor vehicles	59	119	–	–

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

(d) Right-of-use assets

Set out below are the net book value of right-of-use assets of the Group and the movement recognised during the financial year:

	Long term leasehold buildings RM'000	Long term leasehold land RM'000	Building RM'000	Total RM'000
At 1 April 2020	1,095	81	2,000	3,176
Additions	–	–	1,426	1,426
Depreciation	(39)	(2)	(980)	(1,021)
At 31 March 2021	1,056	79	2,446	3,581
At 1 April 2019				
Effect adoption of MFRS 16	437	82	748	1,267
Additions	–	–	1,371	1,371
Termination	–	–	(79)	(79)
Transfer from inventory (Note 4(c))	1,224	–	–	1,224
Depreciation	(566)	(1)	(40)	(607)
At 31 March 2020	1,095	81	2,000	3,176

4. INVENTORIES

	Group 2021 RM'000	Group 2020 RM'000
Non-current		
Land held for property development (Note 4(a))	347,114	376,583
Current		
At cost		
- Property development costs (Note 4(b))	163,973	133,039
- Completed properties and others (Note 4(c))	26,773	6,383
	190,746	139,422

4. INVENTORIES (CONT'D)

(a) Land held for property development

	Group 2021 RM'000	2020 RM'000
Long term leasehold land		
Cost and carrying amount		
At beginning of year	376,583	54,326
Addition during the year	11,880	313,945
Transfer to property development cost	(39,323)	–
Incidental cost to the land	–	8,312
Disposal during the year	(2,026)	–
At end of year	347,114	376,583

During the financial year, long term leasehold land of the Group with a carrying value of RM52,300,000 (2020: RM54,326,000) has been charged to a financial institution as securities for revolving credit granted to the Group as disclosed in Note 16(d).

Included in land held for property development addition during the financial year are interest costs capitalised under qualifying assets amounting to RM1,759,000 (2020: RM1,775,000) (Note 25).

(b) Property development costs

	Group 2021 RM'000	2020 RM'000
Cumulative property development costs		
At 1 April 2020/2019:		
Long term leasehold land	95,576	75,783
Development costs	178,017	140,292
	273,593	216,075
Costs incurred during the year:		
Long term leasehold land	3,408	22,041
Development costs	38,274	63,764
	41,682	85,805
Transfers:		
From land held for property development	39,323	–
To intangible asset (Note 6)	–	(28,287)
To inventories of completed properties (Note 4(c))	(23,961)	–
	15,362	(28,287)

4. INVENTORIES (CONT'D)

(b) Property development costs (cont'd)

	Group 2021 RM'000	Group 2020 RM'000
Cumulative property development costs (cont'd)		
Cumulative costs recognised in profit or loss		
At 1 April 2020/2019:	(140,554)	(85,894)
Recognised during the year (Note 21)	(26,110)	(54,660)
At 31 March 2021/2020	(166,664)	(140,554)
Property development costs at 31 March 2021/2020	163,973	133,039

Included in property development costs incurred during the financial year are interest costs capitalised under qualifying assets amounting to RM6,233,000 (2020: RM791,000) (Note 25).

Included in property development costs of the Group are leasehold land and development costs amounting to RM63,112,000 (2020: RM67,724,000) which have been charged to financial institutions as securities for the Islamic financing and overdraft facilities as disclosed in Note 16(a), (b) and (c).

(c) Completed properties and others

	Group 2021 RM'000	Group 2020 RM'000
At cost		
Completed properties	26,088	5,674
Consumables and general supplies	685	709
	26,773	6,383

At 31 March 2021	Group Completed properties RM'000	Group Consumables and general supplies RM'000
As at 1 April 2020	5,674	709
Addition	23,961	377
Movements in consumables	–	(401)
Recognised as cost of sales (Note 21)	(3,547)	–
As at 31 March 2021	26,088	685

4. INVENTORIES (CONT'D)

(c) Completed properties and others (cont'd)

	Group	
At 31 March 2020	**Completed properties RM'000**	**Consumables and general supplies RM'000**
As at 1 April 2019	24,971	862
Addition	157	–
Transfer to property, plant and equipment (Note 3)	(1,224)	–
Movements in consumables	–	(153)
Recognised as cost of sales (Note 21)	(18,230)	–
As at 31 March 2020	5,674	709

5. INVESTMENT PROPERTIES

	Freehold land RM'000	Leasehold land RM'000	Leasehold land and building RM'000	Total RM'000
Group				
At fair value				
At 31 March 2021				
At 1 April 2020	87,000	74,400	1,156,964	1,318,364
Gain/(loss) from fair value adjustments recognised in profit or loss (Note 22) (Note 26)	–	6,100	(36,994)	(30,894)
At 31 March 2021	87,000	80,500	1,119,970	1,287,470
At 31 March 2020				
At 1 April 2019	87,000	71,900	1,160,714	1,319,614
Additions from subsequent expenditure	–	–	50	50
Disposals	–	–	(44)	(44)
Gain/(loss) from fair value adjustments recognised in profit or loss (Note 22) (Note 26)	–	2,500	(3,756)	(1,256)
At 31 March 2020	87,000	74,400	1,156,964	1,318,364

5. INVESTMENT PROPERTIES (CONT'D)

Investment properties are stated at fair value, which has been determined based on valuations at the reporting date. Fair values were determined using the comparison method considering recent market transactions for similar properties in the same location as well as the investment method that makes reference to estimated market rental values and equivalent yields. Valuations are performed by accredited independent valuers with recent experience in the location and category of properties being valued.

Fair values using the comparison method were based on level 3 of the fair value hierarchy: other techniques for which the lowest level inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly.

Reconciliation of fair value:

	Investment properties	
	Land and office properties RM'000	**Land and retail properties RM'000**
As at 1 April 2019	160,500	1,159,114
Additions from subsequent expenditure	–	50
Proceeds from disposal	–	(44)
Remeasurement recognised in profit or loss	2,500	(3,756)
As at 31 March 2020/1 April 2020	163,000	1,155,364
Remeasurement recognised in profit or loss	6,050	(36,944)
As at 31 March 2021	169,050	1,118,420

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

	2021 RM'000	**2020 RM'000**
Rental income (Note 20):		
- Land and office properties	1,230	1,211
- Land and retail properties	37,423	64,106
Property management operation costs (Note 21)	(14,029)	(22,294)
Others (Note 21)	(43)	(98)
Car park operations		
- Revenue	5,859	8,998
- Cost of sales	(2,636)	(3,114)
Profit arising from investment properties	27,804	48,809

Included in investment properties is certain long term leasehold land of the Group amounting to approximately RM50,000,000 (2020: RM48,000,000) which has been leased to a third party under an operating lease agreement, as disclosed in Note 30.

Certain freehold and long term leasehold land and buildings of the Group with carrying value of RM1,053,100,000 (2020: RM1,081,100,000) have been charged to financial institutions as securities for credit facilities granted to the Group, as disclosed in Note 16(a), (b), (c) and (d).

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

5. INVESTMENT PROPERTIES (CONT'D)

The following table shows the valuation technique used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation model.

Property	Valuation technique	Significant unobservable inputs	Range 2021	Range 2020
Land and retail properties	Investment method	Base rent per square feet per month	RM0.38 to RM30.00	RM0.38 to RM30.00
		Void rate	2.50% to 10.00%	2.50% to 10.00%
		Term yield rate	4.25% to 6.25%	4.30% to 6.25%
		Reversionary yield rate	4.45% to 7.00%	4.70% to 7.00%

The Group carries its investment properties at fair value, with changes in fair values being recognised in profit or loss. The Group had engaged independent professional valuers to determine the fair values and there are no material events that affect the valuation between the valuation date and financial year end.

The fair value of the investment properties derived by the independent professional valuers is most sensitive to the estimated yield rate. The range of the yield rate used in the valuation is described above.

	Fair value Increase/(decrease) 2021 RM'000	Fair value Increase/(decrease) 2020 RM'000
Yield rate		
+ 0.15%	(27,551)	(29,287)
- 0.15%	30,608	30,521

The other key assumptions used to determine the fair value of the investment properties are disclosed above.

Significant changes to the unobservable inputs would result in significant changes in fair value.

Investment method

Using the discounted cash flows method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. This method involves the projection of a series of cash flows on a real property interest.

The duration of the cash flows and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related re-letting, redevelopment, or refurbishment. The appropriate duration is typically driven by market behaviour that is a characteristic of the class of real property. Periodic cash flow is typically estimated as gross income less vacancy, non-recoverable expenses, collection losses, lease incentives, maintenance cost, agent and commission costs and other operating and management expenses. The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted.

Comparison method

Fair value is arrived at by reference to market evidence of transaction prices for similar properties, adjustments are made to account for factors such as location and accessibility, market conditions, size, shape and terrain of land, tenurial interest and restrictions if any, occupancy status, built-up area building construction, finishes and services, age and condition of building and other relevant characteristics.

6. INTANGIBLE ASSET

Group	Goodwill RM'000	Property Development Rights RM'000	Total RM'000
Cost			
At 1 April 2020	10,666	37,219	47,885
Accumulated impairment			
At 1 April 2020	(10,515)	–	(10,515)
Impairment loss recognised in profit or loss (Note 26)	(94)	–	(94)
At 31 March 2021	(10,609)	–	(10,609)
Net carrying amount			
At 31 March 2021	57	37,219	37,276
Cost			
At 1 April 2019	10,666	–	10,666
Reclassify from property development costs (Note 4(b))	–	28,287	28,287
Adjustment from purchase price allocation of a subsidiary (Note 7(b))	–	8,932	8,932
At 31 March 2020	10,666	37,219	47,885
Accumulated impairment			
At 1 April 2019	(10,221)	–	(10,221)
Impairment loss recognised in profit or loss (Note 26)	(294)	–	(294)
At 31 March 2020	(10,515)	–	(10,515)
Net carrying amount			
At 31 March 2020	151	37,219	37,370

Goodwill and Property Development Rights arising from business combinations have been allocated to the Group's CGU identified from the property development segment.

7. INVESTMENTS IN SUBSIDIARIES

	Company 2021 RM'000	Company 2020 RM'000
Unquoted shares, at cost	617,366	613,231
Increase in investment in a subsidiary	750	135
Acquisition of a subsidiary	–	4,000
	618,116	617,366
Accumulated impairment losses	(159,125)	(154,416)
	458,991	462,950

Details of the subsidiaries, all of which are incorporated in Malaysia are as follows:

Name of subsidiaries	Paid up share capital RM'000	Direct shareholdings/ effective equity interest 2021 %	2020 %	Principal activities
Held by the Company				
Asian Pac Capital Sdn. Bhd. (Formerly known as Climate Engineering (Malaya) Sdn. Bhd.)	50,000	100	100	Investment holding (dormant)
AGB Properties Sdn. Bhd.	1,000	100	100	Investment holding and renting out of offices & retail properties
Pinus Park Sdn. Bhd.	680	100	100	Renting out of bungalow (dormant)
BH Builders Sdn. Bhd.	110,000	100	100	Investment holding, property investment and development
Primadana Utama Sdn. Bhd.	2,500	100	100	Investment holding, property investment and development
Prousaha (M) Sdn. Bhd.	5,000	100	100	Property investment and development
Syarikat Kapasi Sdn. Bhd.	184,568	100	100	Property investment and development and renting out retail properties

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries, all of which are incorporated in Malaysia are as follows: (cont'd)

Name of subsidiaries	Paid up share capital RM'000	Direct shareholdings/ effective equity interest 2021 %	2020 %	Principal activities
Held by the Company (cont'd)				
Pristine Property Management Sdn. Bhd. (Formerly known as Changkat Fajar Sdn. Bhd.)	1,000	100	100	Property management
Quality Trend Sdn. Bhd.	244	100	100	Property investment and development (dormant)
Asian Pac Property Management Sdn. Bhd.	500	100	100	Property management
Multizone Parking Sdn. Bhd.	5,007	100	100	Car park management and operation
Harmoni Bumiria Sdn. Bhd.	250	90	90	Property investment and development
Everest Pioneer Sdn. Bhd.	5,000	90	90	Property development
Ambience Acres Sdn. Bhd.	1	100	–	Property development and investment
Cahaya Riang Sdn. Bhd.	1	100	–	Property development
Asian Pac Construction Sdn. Bhd.	750	100	–	Construction
Held through subsidiaries				
BH Realty Sdn. Bhd.	3,100	100	100	Property investment and development and car park operation
Wangsa Masyhur Sdn. Bhd.	30,000	100	100	Property investment and development (dormant)
Taman Bestari Sdn. Bhd.	750	100	100	Property development

All subsidiary companies are being audited by Ernst & Young PLT, Malaysia.

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(a) Impairment losses on investments in subsidiaries

During the financial year, the Company recognised a reversal of impairment losses of RM36,000 (2020: RM12,300,000) (Note 22) and additional impairment losses of RM4,745,000 (2020: RM3,698,000) (Note 26) on its investments in certain subsidiaries.

Management determined the recoverable amount of these investments that has an indicator of impairment based on the subsidiaries' cash generating unit's value-in-use. The net present value of the future cash flows to be generated from these assets is the asset's value in use. An impairment loss is recognised immediately in profit or loss if the recoverable amount is less than the carrying amount.

The key assumptions used in the value-in-use calculations are as follows:

- Projected gross margins - projected gross margin reflects the average historical gross margin adjusted for projected market and economic conditions and internal resource efficiency.
- Discount rates - discount rates reflect management's estimate of the risks specific to these entities. In determining appropriate discount rates for each unit, consideration has been given to the applicable weighted average cost of capital for each unit.
- Revenue growth - the bases used to determine the future earnings potential are historical sales and expected growth rates of the relevant industry.

(b) Acquisition of a new subsidiary, Harmoni Bumiria Sdn. Bhd. in prior year

On 30 August 2018, the Company entered into a share sale agreement with Ikatan Khusus Sdn. Bhd. to acquire the 90,000 ordinary shares of RM1.00 each representing 90% equity interest in Harmoni Bumiria Sdn. Bhd. ("Harmoni") for a total consideration of RM25,531,000 ("the Acquisition") which consist of cash and deferred payment of RM6,850,000 and deferred non-cash consideration of RM18,681,000. The Acquisition was completed in previous financial year.

The purchase price allocation was completed in prior year. The finalised fair value of the assets acquired and liabilities assumed from the acquisition of the subsidiary were as follows:

	RM'000
Property development cost	23,260
Property development rights (Note 6)	37,219
Deferred tax liabilities (Note 10) (Note 6)	(8,932)
Other payables	(23,179)
	28,368
Less : Non controlling interest's share in net assets	(2,837)
Cost of acquisition	25,531

The effect of the cost of acquisition on cash flows is as follows:

	RM'000
Total cost of acquisition	25,531
Less : Deferred non-cash consideration	(18,681)
Less : Deferred cash consideration	(1,400)
Consideration settled in cash as at 31 March 2019	5,450

The purchase price allocation for this acquisition is completed upon the identification of an intangible asset and allocation to the Group's CGU.

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(c) Summarised financial information on subsidiaries with non-controlling interests

Summarised financial information of Everest Pioneer Sdn. Bhd. and Harmoni Bumiria Sdn. Bhd. which has non-controlling interests ("NCI") is set out below. The summarised financial information presented below is the amount before inter-company elimination.

	Everest Pioneer Sdn. Bhd. RM'000	Harmoni Bumiria Sdn. Bhd. RM'000	Total RM'000
At 31 March 2021			
NCI percentage of ownership interest and voting interest	10.00%	10.00%	
Carrying amount of NCI	713	2,546	3,259
Loss attributable to NCI	67	223	290
At 31 March 2020			
NCI percentage of ownership interest and voting interest	10.00%	10.00%	
Carrying amount of NCI	780	2,769	3,549
Loss attributable to NCI	2	81	83

	Everest Pioneer Sdn. Bhd. RM'000	Harmoni Bumiria Sdn. Bhd. RM'000	Total RM'000
(i) Summarised statement of financial position			
At 31 March 2021			
Non current assets	549	37,832	38,381
Current assets	23,131	38,027	61,158
Current liabilities	(15,660)	(17,912)	(33,572)
Non-current liabilities	(883)	(32,486)	(33,369)
Net assets	7,137	25,461	32,598
Equity attributable to owners of the parent	6,424	22,915	29,339
Non-controlling interests	713	2,546	3,259
	7,137	25,461	32,598

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(c) Summarised financial information on subsidiaries with non-controlling interests (cont'd)

Summarised financial information of Everest Pioneer Sdn. Bhd. and Harmoni Bumiria Sdn. Bhd. which has non-controlling interests ("NCI") is set out below. The summarised financial information presented below is the amount before inter-company elimination. (cont'd)

	Everest Pioneer Sdn. Bhd. RM'000	Harmoni Bumiria Sdn. Bhd. RM'000	Total RM'000
(i) Summarised statement of financial position (cont'd)			
At 31 March 2020			
Non current assets	–	37,972	37,972
Current assets	19,900	36,280	56,180
Current liabilities	(11,558)	(13,875)	(25,433)
Non-current liabilities	–	(32,681)	(32,681)
Net assets	8,342	27,696	36,038
Equity attributable to owners of the parent	7,562	24,927	32,489
Non-controlling interests	780	2,769	3,549
	8,342	27,696	36,038
(ii) Summarised statement of profit or loss			
At 31 March 2021			
Loss for the year	666	2,232	2,898
Loss attributable to owners of the parent	599	2,009	2,608
Loss attributable to non-controlling interest	67	223	290
At 31 March 2020			
Loss for the year	20	807	827
Loss attributable to owners of the parent	18	726	744
Loss attributable to non-controlling interest	2	81	83

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(c) Summarised financial information on subsidiaries with non-controlling interests (cont'd)

Summarised financial information of Everest Pioneer Sdn. Bhd. and Harmoni Bumiria Sdn. Bhd. which has non-controlling interests ("NCI") is set out below. The summarised financial information presented below is the amount before inter-company elimination. (cont'd)

	Everest Pioneer Sdn. Bhd. RM'000	Harmoni Bumiria Sdn. Bhd. RM'000	Total RM'000
(iii) Summarised statement of cash flows			
At 31 March 2021			
Net cash used in operating activities, representing net decrease in cash and cash equivalents	(95)	(140)	(235)
Cash and cash equivalents at 1 April 2020	166	246	412
Cash and cash equivalents at 31 March 2021	71	106	177
At 31 March 2020			
Net cash generated from operating activities, representing net increase in cash and cash equivalents	166	240	406
Cash and cash equivalents on date of acquisition	–	6	6
Cash and cash equivalents at 31 March 2020	166	246	412

8. INVESTMENT IN ASSOCIATES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Unquoted shares in Malaysia	865	375	865	375
Share of loss	(2)	–	–	–
Less: Accumulated impairment losses	(375)	(375)	(375)	(375)
	488	–	490	–

The Group has not recognised losses relating to associate where its share of losses exceeds the Group's interest in this associate. The Group's cumulative share of unrecognised losses at the reporting date was RM451,000 (2020: RM451,000). The Group has no obligation in respect of these losses.

8. INVESTMENT IN ASSOCIATES (CONT'D)

Details of the associates, which are incorporated in Indonesia and Malaysia are as follows:

Name of associate	Paid up share capital RM'000	Direct shareholdings/ effective equity interest 2021 %	2020 %	Principal activities
PT AP International	750	50	50	Property development and property management
Nova Fajar Development Sdn. Bhd.	490	49	–	Property development

Summarised financial information in respect of the Group's associates is set out below. The summarised financial information represents the amounts in the financial statements of the associates and not the Group's share of those amounts.

	PT AP International 2021 RM'000	PT AP International 2020 RM'000	Nova Fajar Development Sdn. Bhd. 2021 RM'000	Nova Fajar Development Sdn. Bhd. 2020 RM'000
(i) Summarised statement of financial position				
Non Current Assets	–	–	1,309	–
Current Assets	8	8	5,429	–
Total Assets	8	8	6,738	–
Current liabilities representing total liabilities	(910)	(910)	(5,752)	–
Net liabilities attributable to owners of associate	(902)	(902)	986	–
(ii) Summarised statement of profit or loss				
Loss for the year	–	–	(4)	–
(iii) Reconciliation of net liabilities to the carrying amount of Group's interest in the associate				
Group's share of net (liabilities)/assets	(451)	(451)	483	–
Unrecognised losses	451	451	–	–
Carrying amount of Group's interest in associate	–	–	483	–
(iv) Group's share of results of associate	–	–	(2)	–

9. NON-CURRENT FINANCIAL ASSET

	Group		Company	
	2021 RM'000	**2020 RM'000**	**2021 RM'000**	**2020 RM'000**
Fair value through OCI				
Non-current				
Quoted shares in Malaysia	4,856	1,942	1,593	638

The unrealised gain on fair valuation on non-current quoted financial asset investments amounting to RM2,914,000 (2020: unrealised loss of RM2,186,000) and RM955,000 (2020: unrealised loss of RM716,000) of the Group and of the Company were taken to OCI.

10. DEFERRED TAX

	Group		Company	
	2021 RM'000	**2020 RM'000**	**2021 RM'000**	**2020 RM'000**
At 1 April 2020/2019	(241,660)	(228,230)	4	7
Acquisition of a subsidiary	–	(539)	–	–
Adjustment from purchase price allocation of a subsidiary (Note 7(b))	–	(8,932)	–	–
Recognised in profit or loss (Note 27)	6,827	(3,959)	14	(3)
At 31 March 2021/2020	(234,833)	(241,660)	18	4
Presented after appropriate offsetting as follows:				
- Deferred tax assets	116	160	18	4
- Deferred tax liabilities	(234,949)	(241,820)	–	–
	(234,833)	(241,660)	18	4

The components and movements of deferred tax assets and liabilities of the Group and of the Company during the financial year prior to appropriate offsetting are as follows:

Group	**Provisions and unused tax losses RM'000**
Deferred tax assets:	
At 1 April 2020	4,043
Recognised in profit or loss	764
At 31 March 2021	4,807
At 1 April 2019	599
Recognised in profit or loss	3,444
At 31 March 2020	4,043

10. DEFERRED TAX (CONT'D)

Group	Revaluation of investment properties, fair value of assets acquired, and capital allowances RM'000
Deferred tax liabilities:	
At 1 April 2020	(245,703)
Recognised in profit or loss	6,063
At 31 March 2021	(239,640)
At 1 April 2019	(228,829)
Recognised in profit or loss	(7,403)
Acquisition of a subsidiary	(539)
Adjustment from purchase price allocation from acquisition of a subsidiary (Note 7(b))	(8,932)
At 31 March 2020	(245,703)

Company

	Provisions 2021 RM'000	Provisions 2020 RM'000
Deferred tax assets:		
As at 1 April 2020/2019	4	8
Recognised in profit or loss	14	(4)
As at 31 March 2021/2020	18	4

	Capital allowance 2021 RM'000	Capital allowance 2020 RM'000
Deferred tax liabilities:		
As at 1 April 2020/2019	–	(1)
Recognised in profit or loss	–	1
As at 31 March 2021/2020	–	–

10. DEFERRED TAX (CONT'D)

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2021 RM'000	**2020 RM'000**	**2021 RM'000**	**2020 RM'000**
Unused tax losses	15,642	12,708	8,097	8,971
Unabsorbed capital allowances	781	551	–	100
Other temporary differences	24,509	9,023	4,588	–
	40,932	22,282	12,685	9,071
Deferred tax at Malaysian statutory tax rate, if recognised	9,824	5,348	3,044	2,177

Pursuant to new law gazetted, the ability to carry forward unutilised tax losses and unutilised reinvestment allowance is restricted to a maximum period of seven consecutive Year of Assessment ("YA"), effective YA 2019.

The unused tax losses and unabsorbed capital allowances balances of the Group are available for offsetting against future taxable profits of the respective companies within the Group, subject to no substantial change in the shareholdings of those companies under the Income Tax Act, 1967 and guidelines issued by the tax authority.

Deferred tax assets have not been recognised in respect of these items as they may not be used to offset taxable profits of other subsidiaries in the Group and such items have arisen in subsidiaries that have a history of losses.

The unutilised capital allowances of the Group are available indefinitely for offsetting against future taxable profits of the respective entities within the Group, subject to no substantial changes in shareholdings of those entities under the Income Tax Act, 1967 and guidelines issued by the tax authority.

The unutilised tax losses accumulated up to the year of assessment 2018 are allowed to be carried forward for 7 consecutive years of assessment (i.e. from years of assessment 2019 to 2025) and any balance of the unutilised losses thereafter shall be disregarded.

However, for any unutilised tax losses that originated from the year of assessment 2019 onwards, these are allowed to be carried forward for a maximum period of 7 consecutive years of assessment immediately following that originating year of assessment and any balance of the unutilised tax losses thereafter shall be disregarded.

11. TRADE AND OTHER RECEIVABLES

	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
Current				
(a) Trade receivables	8,888	3,800	–	1,063
Less: Allowance for expected credit losses	(2,011)	(5)	–	–
	6,877	3,795	–	1,063
(b) Other receivables:				
Due from previous stockbroking clients	4,733	4,763	–	–
Sundry receivables	26,826	8,090	6,412	402
Earnest deposit	12,549	8,000	4,849	–
Other deposits	6,183	5,769	35	35
GST input recoverable	–	186	–	–
Due from associate (Note 11(c))	6,754	1,004	6,754	1,004
Due from subsidiaries (Note 11(c))	–	–	117,632	111,183
Loan assets	14,229	27,678	–	–
	71,274	55,490	135,682	112,624
Less: Allowance for expected credit losses	(10,588)	(6,114)	(5,957)	(1,443)
	60,686	49,376	129,725	111,181
Total trade and other receivables	**67,563**	**53,171**	**129,725**	**112,244**
Add: Pledged deposits with licensed banks and financial institutions with maturity of more than 3 months and restricted for use (Note 13)	3,205	2,591	–	–
Add: Cash at banks and short term deposits pledged to licensed banks and financial institutions (Note 13)	26,488	19,336	565	554
Add: Cash and cash equivalents (Note 13)	40,456	23,469	485	591
Less: GST input recoverable	–	(186)	–	–
Total financial assets at amortised costs	137,712	98,381	130,775	113,389

11. TRADE AND OTHER RECEIVABLES (CONT'D)

(a) Trade receivables

The Group's and the Company's normal trade credit terms range from 7 to 60 days (2020: 7 to 60 days) and 60 days (2020: 60 days) respectively. Other credit terms are assessed and approved on a case-by-case basis. They are recognised at their original invoice amounts which represent their fair value on initial recognition.

The Group has no significant concentration of credit risk that may arise from exposure to a single debtor or a group of debtors.

Ageing analysis of trade receivables

The ageing analysis of the Group's and the Company's trade receivables are as follows:

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Neither past due nor impaired	107	878	–	310
1 to 30 days past due not impaired	2,560	490	–	231
31 to 60 days past due not impaired	2,740	1,226	–	–
61 to 90 days past due not impaired	652	611	–	522
More than 91 days past due not impaired	818	590	–	–
	6,770	2,917	–	753
Impaired trade receivables	2,011	5	–	–
Total trade receivables	8,888	3,800	–	1,063

The total trade receivables are unsecured in nature.

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records.

None of the Group's and the Company's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

Receivables that are past due but not impaired

The receivables that are past due but not impaired are mainly:

a) Amount due from tenants that are secured by cash deposits or bank guarantees.

b) Progress billings to be settled by the end-purchasers/financiers.

However, the Directors are of the opinion that these debts should be realised in full without material losses in the ordinary course of business as security deposits and the legal title to the properties sold remain with the Group until the purchase consideration is fully settled.

11. TRADE AND OTHER RECEIVABLES (CONT'D)

(a) Trade receivables (cont'd)

Ageing analysis of trade receivables (cont'd)

Receivables that are past due and impaired

The Group's trade receivables that are individually impaired at the reporting date and the movement of the accumulated impairment losses is as follows:

	Group	
	2021 RM'000	**2020 RM'000**
Trade receivables - nominal amount	2,798	498
Less : Accumulated allowance for expected credit losses	(2,011)	(5)
	787	493
At 1 April 2020/2019	(5)	(122)
Allowance for expected credit losses (Note 26)	(2,356)	(3)
Write back allowance for expected credit losses (Note 22) (Note 26)	350	6
Written off	–	114
At 31 March 2021/2020	(2,011)	(5)

Trade receivables that are individually determined to be impaired at the end of the financial year relate to debtors that have significant financial difficulties and have defaulted on payments. These receivables are partly secured by cash deposits.

(b) Other receivables

At the reporting date, the Group has provided an allowance of RM4,717,000 (2020: RM4,749,000) for impairment on the amount due from previous stockbroking clients and RM5,871,000 (2020: RM1,365,000) for impairment on sundry receivables and amount due from associate. The Company has provided an allowance of RM1,004,000 (2020: RM1,004,000) for impairment on amount due from associate, RM4,514,000 (2020: Nil) for impairment on sundry receivables and RM439,000 (2020: RM439,000) for impairment on the amount due from a subsidiary.

Other receivables that are impaired

The amounts due from previous stockbroking clients represent amounts receivable from margin clients and non-margin clients prior to the disposal of the Group's stockbroking business in prior years and are partly collateralised by quoted shares.

Sundry receivables are unsecured, non-interest bearing and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

11. TRADE AND OTHER RECEIVABLES (CONT'D)

(b) Other receivables (cont'd)

Movements in allowance accounts

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Other receivables:				
At 1 April 2020/2019	(6,114)	(6,417)	(1,443)	(1,443)
Allowance for expected credit losses (Note 26)	(4,530)	(16)	(4,514)	–
Write back allowance for expected credit losses (Note 22) (Note 26)	56	7	–	–
Written off	–	312	–	–
At 31 March 2021/2020	(10,588)	(6,114)	(5,957)	(1,443)

(c) Due from subsidiaries and an associate

The amounts due from subsidiaries and an associate are non-trade in nature. These amounts are unsecured, non-interest bearing and are repayable on demand.

The amount due from an associate is provided for in full as disclosed in Note 11(b).

(d) Contract assets in respect of property development

	Group	
	2021 RM'000	2020 RM'000
Property development	2,848	43,972

12. SHORT TERM INVESTMENTS

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Fair value through profit or loss				
Current				
Investments in unit trust fund	13,352	13,044	900	2,062
Investment in quoted shares	2,914	–	–	–
	16,266	13,044	900	2,062

13. CASH AND BANK BALANCES

	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
Cash at banks and on hand	47,300	19,807	485	591
Short term deposits with:				
Licensed banks	21,644	25,035	–	–
Financial institutions	1,205	554	565	554
Total cash and bank balances	70,149	45,396	1,050	1,145
Less: Pledged deposits with licensed banks with maturity of more than 3 months (Note 11)	(3,205)	(2,591)	–	–
Less: Cash at banks and short term deposits pledged to licensed banks and financial institutions (Note 11)	(26,488)	(19,336)	(565)	(554)
Cash and cash equivalents (Note 11)	40,456	23,469	485	591

Included in cash at banks of the Group are amounts of RM33,020,000 (2020: RM7,702,000) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966 and therefore restricted from use in other operations.

Included in cash at banks of the Group is an amount of RM7,046,000 (2020: RM1,872,000) pledged to financial institutions for credit facilities granted to a number of subsidiaries as disclosed in Note 16(a), (b), (c) and (d).

Short term deposits with licensed banks and financial institutions of the Group and of the Company amounting to RM22,647,000 (2020: RM20,055,000) and RM565,000 (2020: RM554,000) respectively are pledged to licensed banks and financial institutions for credit facilities granted to the Company and subsidiary companies as disclosed in Note 16(a), (b), (c) and (d) and as securities for performance guarantees given to third parties.

The weighted average effective interest rates of short term deposits at the reporting date are as follows:

	Group 2021 %	Group 2020 %	Company 2021 %	Company 2020 %
Licensed banks	2.54	2.95	–	–
Financial institutions	1.60	2.55	1.60	2.55

The average maturities of short term deposits as at the end of the financial year are as follows:

	Group 2021 Days	Group 2020 Days	Company 2021 Days	Company 2020 Days
Licensed banks	81	64	–	–
Financial institutions	31	31	31	31

14. SHARE CAPITAL

Group and Company:	Note	Number of ordinary shares 2021 '000	2020 '000	Amount 2021 RM'000	2020 RM'000
Issued and fully paid:					
At 1 April 2020/2019		1,037,127	1,037,127	210,977	210,977
Conversion of ICULS	(a)	7,110	–	1,422	–
At 31 March 2021/2020		1,044,237	1,037,127	212,399	210,977

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regards to the Company residual assets.

(a) Irredeemable Convertible Unsecured Loan Stocks ("ICULS")

On 26 May 2017, a total of 99,256,461 RM1.00 nominal value 5-year 3% ICULS have been issued and allotted to the shareholders on the basis of one ICULS for every ten ordinary shares of the Company, together with 198,512,922 free new detachable warrants to be issued on the basis of two warrants for each ICULS subscribed.

During the financial year, the Company increased its issued and paid-up share capital from RM210,976,630 comprising 1,037,127,110 ordinary shares to RM212,398,630 comprising 1,044,237,110 ordinary shares as a result of the conversion of 1,422,000 RM1.00 nominal value 5-year 3% ICULS into 7,110,000 new ordinary shares on the basis of one RM1.00 nominal value of ICULS for the five new ordinary shares of the Company.

The salient features of the ICULS issued are as follows:

(i) The coupon rate for the ICULS is 3% per annum, payable on an annual basis in arrears.

(ii) The conversion price for the ICULS is fixed at RM1.00 where one ICULS will be converted into five new ordinary shares of the Company and the new ordinary shares to be issued rank pari passu with the then existing shares.

(iii) Each registered holder of the ICULS shall have the right at any time from the issuance date to not later than the maturity date of 25 May 2022 to convert such nominal value of ICULS held into fully-paid up new ordinary shares of the Company.

(iv) Any ICULS not converted by the maturity date will be mandatorily converted into new ordinary shares of the Company on the maturity date.

14. SHARE CAPITAL (CONT'D)

(a) Irredeemable Convertible Unsecured Loan Stocks ("ICULS") (cont'd)

The residual value, after deducting the fair value of liability component of ICULS and warrants, is attributed to the equity component as follows:

	Equity component of ICULS RM'000 (Note 15)	Warrants reserve RM'000 (Note 15)	Liability component of ICULS RM'000 (Note 16)	Total RM'000
At 1 April 2020	76,847	978	7,581	85,406
Interest expense on ICULS (Note 25)	–	–	421	421
Coupon payment	–	–	(2,710)	(2,710)
Conversion of ICULS	(1,209)	–	(181)	(1,390)
At 31 March 2021	75,638	978	5,111	81,727

	Equity component of ICULS RM'000 (Note 15)	Warrants reserve RM'000 (Note 15)	Liability component of ICULS RM'000 (Note 16)	Total RM'000
At 1 April 2019	76,847	978	9,804	87,629
Interest expense on ICULS (Note 25)	–	–	487	487
Coupon payment	–	–	(2,710)	(2,710)
At 31 March 2020	76,847	978	7,581	85,406

Pursuant to the Malaysian Code on Take-Overs and Mergers 2016 and the Rules on Take-Overs, Mergers and Compulsory Acquisitions ("Rules"), the Company would like to disclose the following:

(i) The details of the exemption granted, including the duration for which the exemption has been granted:

On 26 January 2017, Mr. Mah Sau Cheong (director of the Company) and his spouse, Ms. Chin Lai Kuen had submitted an application to Securities Commission Malaysia ("SC") for the exemption from the obligation to undertake a mandatory take-over offer for all the ordinary shares of RM0.20 each in Asian Pac Holdings Berhad ("Asian Pac"), convertible securities and new Asian Pac shares to be issued pursuant to the conversion of ICULS and/or the exercise of the warrants not held by Mr. Mah Sau Cheong and his spouse, Ms. Chin Lai Kuen, pursuant to Section 219 of the Capital Market and Services Act 2007 and Paragraph 4.08(1)(C) of the Rules issued on 15 August 2016.

On 14 February 2017, the SC had granted the approval on the exemption and the duration for the exemption granted is from 26 May 2017 to 25 May 2022.

14. SHARE CAPITAL (CONT'D)

(a) Irredeemable Convertible Unsecured Loan Stocks ("ICULS") (cont'd)

Pursuant to the Malaysian Code on Take-Overs and Mergers 2016 and the Rules on Take-Overs, Mergers and Compulsory Acquisitions ("Rules"), the Company would like to disclose the following: (cont'd)

(ii) The number and percentage of voting shares or voting rights and the conversion or subscription rights or options in Asian Pac held by Mr. Mah Sau Cheong and Ms. Chin Lai Kuen as at latest practicable date prior to the disclosure are as below:

Name	Number of ordinary shares held '000	% of issued capital %	Number of ICULS '000	Number of warrants '000
As at 30 July 2021				
Mah Sau Cheong	182,069	17.34%	58,800	86,509
Chin Lai Kuen	5,260	0.50%	–	–
Total	187,329	17.84%	58,800	86,509

(iii) The maximum potential voting shares or voting rights of Mr. Mah Sau Cheong and Ms. Chin Lai Kuen in Asian Pac, if only Mr. Mah Sau Cheong and Ms. Chin Lai Kuen exercise the conversion or subscription rights or options in full are as below:

Name	Number of ordinary shares held '000	% of issued capital %
Mah Sau Cheong	562,580	35.71%
Chin Lai Kuen	5,260	0.33%
Total	567,840	36.04%

15. OTHER RESERVES

		Group		Company	
	Note	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Merger reserve	(a)	–	–	78,000	78,000
Fair value adjustment reserve	(b)	1,214	(1,700)	398	(557)
Revaluation reserve	(c)	916	916	–	–
Equity component of ICULS	14(a)	75,638	76,847	75,638	76,847
Warrants reserve	(d)	978	978	978	978
		78,746	77,041	155,014	155,268

Movements in reserves are shown in the respective statements of changes in equity.

The nature and purpose of each category of reserve are as follows:

(a) Merger reserve

The premium on shares issued in respect of the acquisition of BH Builders Sdn. Bhd. in the financial year ended 31 March 1996 had been credited to the merger reserve.

(b) Fair value adjustment reserve

Fair value adjustment reserve represents the cumulative fair value changes, net of tax, of financial assets at fair value through OCI investments until they are disposed off or impaired.

(c) Revaluation reserve

In previous financial year, a subsidiary's leasehold land and building was reclassified to investment property because there was a change in the use of the property. The Group used the revaluation model, whereby the subsidiary's leasehold land and building were revalued at fair value at the date of transfer to investment property.

(d) Warrants reserve

On 26 May 2017, the Company issued 198,512,922 free detachable warrants in conjunction with rights issue of ICULS on the basis of two free detachable warrants for each ICULS subscribed as disclosed in Note 14(a).

The amount represents the fair value of the detachable warrants and net of the share of transaction cost arising from the rights issue of ICULS.

16. LOANS AND BORROWINGS

	Note	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
Current					
Secured:					
Floating rate term loan	(a)	461	443	–	–
Islamic financing	(b)	16,827	26,038	–	–
Overdraft	(c)	18,923	8,397	–	–
Revolving credit	(d)	61,000	28,327	25,000	25,000
Obligation under hire purchase	(e)	61	110	–	–
Preference shares	(g)	24,952	–	–	–
		122,224	63,315	25,000	25,000
Non-current					
Secured:					
Floating rate bridging and term loans	(a)	8,494	5,772	–	–
Islamic financing	(b)	325,361	335,281	–	–
Obligation under hire purchase	(e)	21	83	–	–
ICULS	(f)	5,111	7,581	5,111	7,581
Preference shares	(g)	24,700	49,152	–	–
		363,687	397,869	5,111	7,581
Total loans and borrowings		485,911	461,184	30,111	32,581

The remaining maturities of the loans and borrowings are as follows:

	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
On demand and within 1 year	122,224	63,315	25,000	25,000
More than 1 year and less than 2 years	75,635	67,140	5,111	–
More than 2 years and less than 5 years	149,083	174,382	–	7,581
More than 5 years	138,969	156,347	–	–
	485,911	461,184	30,111	32,581

16. LOANS AND BORROWINGS (CONT'D)

(a) Floating rate bridging and term loan

The floating rate bridging and term loans are obtained for development projects of the Company's wholly-owned subsidiary company, Prousaha (M) Sdn. Bhd. and for financing the acquisition of investment properties by wholly-owned subsidiary, AGB Properties Sdn. Bhd. These bridging and term loans bear an average interest rate of 4.24% to 4.69% (2020: 5.33% to 8.39%) per annum. These are secured by charges over the Group's leasehold properties as well as development costs as disclosed in Note 4(b), leasehold properties as disclosed in Note 5, certain bank balances as disclosed in Note 13 and corporate guarantee provided by the Company amounting to RM5,841,000 (2020: RM6,215,000).

(b) Islamic financing

Islamic financing was obtained for refinancing of the investment properties of wholly-owned subsidiary, Syarikat Kapasi Sdn. Bhd., for financing the acquisition of investment and development properties by wholly-owned subsidiary, BH Builders Sdn. Bhd., working capital of a wholly-owned subsidiary, BH Realty Sdn. Bhd. and for development project of Taman Bestari Sdn. Bhd. It bears an average interest rate of 4.70% to 5.95% (2020: 5.78% to 7.03%) per annum. It is secured by charges over the Group's leasehold property as well as development costs as disclosed in Note 4(b), leasehold properties as disclosed in Note 5, certain short term deposits and bank balances as disclosed in Note 13, lease proceeds from an operating lease as disclosed in Note 30 and corporate guarantee provided by the Company amounting to RM351,152,000 (2020: RM361,319,000).

(c) Overdraft

Overdraft is obtained for development project of the Company's wholly-owned subsidiary, BH Realty Sdn. Bhd. and for working capital of wholly-owned subsidiary, Syarikat Kapasi Sdn. Bhd. The overdraft bears an average interest rate of 6.20% to 6.60% (2020: 7.29% to 7.79%) per annum. It is secured by the subsidiaries' leasehold property as well as development cost as disclosed in Note 4(b), leasehold properties as disclosed in Note 5, certain short term deposits and bank balances as disclosed in Note 13 and corporate guarantee provided by the Company amounting to RM40,000 (2020: RM8,397,000).

(d) Revolving credit

Revolving credits are obtained for the working capital of the Company and the Company's wholly-owned subsidiary, Syarikat Kapasi Sdn. Bhd.. These revolving credits bear an average interest rate of 5.35% to 7.28% (2020: 6.54% to 8.39%) per annum. They are secured by charges over the Group's leasehold land as disclosed in Note 4(a), certain completed properties as disclosed in Note 4(c), investment properties as disclosed in Note 5, certain short term deposits and cash balances as disclosed in Note 13 and corporate guarantee provided by the Company amounting to RM36,000,000 (2020: RM28,327,000).

16. LOANS AND BORROWINGS (CONT'D)

(e) Obligation under hire purchase

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Future minimum lease payments:				
Within and up to 1 year	64	116	–	–
After 1 and up to 2 years	21	64	–	–
After 2 and up to 5 years	–	21	–	–
	85	201	–	–
Less: Future finance charges	(3)	(8)	–	–
Present value of future minimum lease payments	82	193	–	–
Present value of lease liabilities:				
Within and up to 1 year	61	110	–	–
After 1 and up to 2 years	21	62	–	–
After 2 and up to 5 years	-	21	–	–
Present value of lease liabilities	82	193	–	–
Analysed as:				
Due within 12 months	61	110	–	–
Due after 12 months	21	83	–	–
	82	193	–	–

The hire purchase payable bear interest of 2.30% (2020 : 2.30% to 2.58%) per annum.

These obligations are secured by a charge over the leased assets (Note 3(c)).

(f) ICULS

The amount represents the liability portion of ICULS net of transaction cost as disclosed in Note 14(a).

(g) Preference shares

The amount represents the liability portion of AGB's Preference Shares net of transaction cost as disclosed in Note 32 (f).

16. LOANS AND BORROWINGS (CONT'D)

(h) Changes in liabilities arising from financing activities

		Movements				
		Cash flows		Non-cash changes		
	1 April 2020 RM'000	Principal movement RM'000	Interest paid RM'000	Interest cost RM'000	Others RM'000	31 March 2021 RM'000
Group						
Non-current interest-bearing loans and borrowings	341,053	3,114	(14,062)	15,199	(11,449)	333,855
Non-current obligations under hire purchase	83	–	–	–	(62)	21
Current interest-bearing loans and borrowings	63,205	22,343	(9,020)	9,818	10,865	97,211
Current obligations under hire purchase	110	(110)	(6)	6	61	61
ICULS	7,581	–	(2,710)	421	(181)	5,111
Preference shares	49,152	–	(4,482)	5,250	(268)	49,652
	461,184	25,347	(30,280)	30,694	(1,034)	485,911

The 'Others' column includes the effect of reclassification of non-current to current of interest-bearing loans and borrowings, reclassification of non-current to current of obligations under hire purchase, the effect of accrued interest on interest bearing loans and borrowings, conversion of ICULS and adjustment to ICULS liability.

16. LOANS AND BORROWINGS (CONT'D)

(h) Changes in liabilities and ICULS arising from financing activities (cont'd)

		Movements				
		Cash flows		Non-cash changes		
	1 April 2020 RM'000	Principal movement RM'000	Interest paid RM'000	Interest cost RM'000	Others RM'000	31 March 2021 RM'000
Company						
Non-current obligations under hire purchase	–	–	–	–	–	–
Current interest-bearing loans and borrowings	25,000	–	(1,796)	1,796	–	25,000
Current obligations under hire purchase	–	–	–	–	–	–
ICULS	7,581	–	(2,710)	421	(181)	5,111
	32,581	–	(4,506)	2,217	(181)	30,111

The 'Others' column includes the effect reclassification of non-current to current of obligations under hire purchase, the effect of accrued interest on interest bearing loans and borrowings, conversion of ICULS and adjustment to ICULS liability.

17. TRADE AND OTHER PAYABLES

	Group		Company	
	2021 RM'000	**2020 RM'000**	**2021 RM'000**	**2020 RM'000**
Current				
Trade payables				
Third parties	6,753	12,426	–	–
Trade accruals	16,005	13,259	–	–
	22,758	25,685	–	–
Other payables				
Deposits from property purchasers	1,820	–	–	–
Deposits from tenants	23,201	14,167	–	–
Interest payables	1,421	570	333	261
Accruals	2,647	1,023	599	194
Purchase consideration payable for the project land acquisition	30,000	15,000	–	–
Purchase consideration payable for the acquisition of a subsidiary	4,426	4,486	4,426	4,486
Service tax payable	321	300	–	–
Due to subsidiaries	–	–	27,939	2,647
Others	5,586	8,599	44	–
	69,422	44,145	33,341	7,588
	92,180	69,830	33,341	7,588
Non-current				
Trade payables				
Retention sum payable	1,749	3,309	–	–
Other payables				
Deposits from tenants	905	6,389	–	–
Purchase consideration payable for the project land acquisition	113,551	133,265	–	–
Purchase consideration payable for the acquisition of a subsidiary	12,705	12,283	12,705	12,283
	127,161	151,937	12,705	12,283
	128,910	155,246	12,705	12,283
Total trade and other payables	221,090	225,076	46,046	19,871
Less: Service tax payable	(321)	(300)	–	–
Add: Loans and borrowings (Note 16)	485,911	461,184	30,111	32,581
Add: Lease liabilities (Note 18)	1,966	1,492	–	–
Total financial liabilities carried at amortised cost	708,646	687,452	76,157	52,452

17. TRADE AND OTHER PAYABLES (CONT'D)

(a) Trade payables

Trade payables are non-interest bearing and the normal trade credit term granted to the Group ranges from 30 to 60 days (2020: 30 to 60 days).

(b) Other payables

Included in other payables is a sum of RM1,514,000 (2020: nil) owing to a substantial shareholder of the Company.

18. LEASE LIABILITIES

	Group	
	2021 RM'000	**2020 RM'000**
At 1 April 2020/2019	1,492	–
Effect of adoption MFRS 16	–	748
Additions	1,426	1,371
Accretion of interest	109	57
Payments	(1,061)	(603)
Termination of lease	–	(81)
At 31 March 2021/2020	1,966	1,492
Due within 12 months	998	697
Due after 12 months	968	795
	1,966	1,492

The lease liabilities bear interest between 4.80% to 6.7% (2020 : 6.44% to 6.70%)

The Group has elected not to recognise a lease liability for short-term leases (leases with an expected term of twelve months or less) or for leases of low value assets. Payments made under such leases are expensed on straight line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

The expenses relating to payments not included in the measurement of the lease liability during the financial year are as follows:

	Group	
	2021 RM'000	**2020 RM'000**
Expenses relating to short-term leases (included on other expenses) (Note 26)	54	372
Expenses relating to leases of low-value assets (included in other expenses) (Note 26)	64	59

As at the reporting date, the Group was committed to short-term leases of RM258,000 (2020: RM218,000).

19. PROVISIONS

	Group Provision for property development obligations	
	2021 RM'000	**2020 RM'000**
At 1 April 2020/2019	12,253	14,397
Addition/(reduction)	8,346	(2,144)
At 31 March 2021/2020	20,599	12,253

The provisions relate to property development obligations amounting to RM20,599,000 (2020: RM12,253,000).

20. REVENUE

	Group		Company	
	2021 RM'000	**2020 RM'000**	**2021 RM'000**	**2020 RM'000**
Revenue from contract with customers	48,725	112,336	4,422	5,702
Revenue from other sources:				
Interest income	11	520	11	520
Rental income (Note 5)	38,653	65,317	–	–
Dividend income from other investment	863	–	–	–
Dividend income from subsidiaries	–	–	–	8,200
	88,252	178,173	4,433	14,422
Disaggregation of the revenue from contract with customers:				
Type of goods and services				
Sale of development properties (Note 20 (a))	36,767	77,358	–	–
Sale of building materials	351	2,268	351	2,268
Sale of inventories of completed properties	4,470	22,507	–	–
Car park operations	6,959	10,035	–	–
Property management income	178	168	–	–
Management fees from subsidiaries	–	–	4,071	3,434
	48,725	112,336	4,422	5,702

20. REVENUE (CONT'D)

	Group		Company	
	2021 RM'000	**2020 RM'000**	**2021 RM'000**	**2020 RM'000**
Geographical market				
Malaysia	48,725	112,336	4,422	5,702

	Group		Company	
	2021 RM'000	**2020 RM'000**	**2021 RM'000**	**2020 RM'000**
Timing of revenue recognition				
- at a point in time	11,958	34,978	4,422	5,702
- over time	36,767	77,358	–	–
	48,725	112,336	4,422	5,702

(a) Sale of development properties

Included in sale of development properties is estimated liquidated ascertained damages of RM 8,628,000 relating to previous completed project.

21. COST OF SALES

	Group		Company	
	2021 RM'000	**2020 RM'000**	**2021 RM'000**	**2020 RM'000**
Property development costs (Note 4(b))	26,110	54,660	–	–
Cost of building materials	301	2,080	301	2,080
Car park operations	3,489	4,044	–	–
Cost of inventories sold (Note 4(c))	3,547	18,230	–	–
Property management operation costs (Note 5)	14,029	22,294	–	–
Others	43	98	–	–
	47,519	101,406	301	2,080

22. OTHER INCOME

	Group		Company	
	2021 RM'000	**2020 RM'000**	**2021 RM'000**	**2020 RM'000**
Administration charges	81	79	–	–
Gain on changes in fair value of investment properties (Note 5)	6,100	2,500	–	–
Gain on disposal of property, plant and equipment	1	133	–	–
Gain on acquisition of a subsidiary	–	3,040	–	–
Gain on fair value adjustments of financial assets at fair value through profit or loss	1,186	733	50	217
Gain from investment of loan asset				
- interest income	15,509	–	–	–
- net reversal of expected credit loss from loan assets	1,019	–	–	–
Gain from disposal of quoted investment	5,980	–	–	–
Other interest income	764	2,028	–	–
Overdue interest income	152	191	84	–
Purchasers' deposit forfeited	414	172	–	–
Reversal of impairment loss on investment in subsidiaries (Note 7(a))	–	–	36	12,300
Reversal of provision for property development obligations	–	4,461	–	–
Unwinding of discount on long term liabilities	132	25,142	–	–
Write back of allowance for expected credit losses (Note 11(a),(b))	406	13	–	–
Miscellaneous income	1,409	1,408	–	–
	33,153	39,900	170	12,517

23. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2021 RM'000	**2020 RM'000**	**2021 RM'000**	**2020 RM'000**
Wages and salaries	15,087	15,757	2,174	2,440
Contributions to defined contribution plan	1,950	2,111	388	508
Social security contributions	122	123	1	4
Other employee benefits	1,531	1,163	135	185
(Note 26)	18,690	19,154	2,698	3,137

Included in employee benefits expense of the Group and of the Company are Executive Directors' remuneration amounting to RM2,236,000 (2020: RM2,534,000) and RM1,696,000 (2020: RM1,942,000) respectively as further disclosed in Note 24.

24. DIRECTORS' REMUNERATION

	Group		Company	
	2021 RM'000	**2020 RM'000**	**2021 RM'000**	**2020 RM'000**
Executive Directors' remuneration (Note 23):				
Salaries and other emoluments	2,236	2,534	1,696	1,942
Non-executive Directors' remuneration (Note 26):				
Fees and other emoluments	457	454	308	305
Total Directors' remuneration	2,693	2,988	2,004	2,247

24. DIRECTORS' REMUNERATION (CONT'D)

The details of the remuneration received/receivable by Directors of the Group and the Company during the year are as follows:

	Salary and other emoluments RM'000	Fees RM'000	Bonus RM'000	Total RM'000
At 31 March 2021				
Executive				
Dato' Mustapha bin Buang	1,696	–	–	1,696
Dr. Yu Tat Loong*	540	–	–	540
	2,236	–	–	2,236
Non-executive				
Tan Sri Dato' Seri Hj. Megat Najmuddin bin Datuk Seri Dr Hj. Megat Khas*	5	144	–	149
Datuk Mohamed Salleh Bin Bajuri	5	108	–	113
Tan Siew Poh	5	60	–	65
Soon Dee Hwee	5	60	–	65
Sherman Lam Yuen Suen	5	60	–	65
	25	432	–	457
	2,261	432	–	2,693

* The above Director's remuneration was paid by subsidiary companies.

24. DIRECTORS' REMUNERATION (CONT'D)

The details of the remuneration received/receivable by Directors of the Group and the Company during the year are as follows: (cont'd)

	Salary and other emoluments RM'000	Fees RM'000	Bonus RM'000	Total RM'000
At 31 March 2020				
Executive				
Dato' Mustapha bin Buang	1,721	–	221	1,942
Dr. Yu Tat Loong*	517	–	75	592
	2,238	–	296	2,534
Non-executive				
Tan Sri Dato' Seri Hj. Megat Najmuddin bin Datuk Seri Dr Hj. Megat Khas*	5	144	–	149
Datuk Mohamed Salleh Bin Bajuri	5	105	–	110
Tan Siew Poh	5	60	–	65
Soon Dee Hwee	5	60	–	65
Sherman Lam Yuen Suen	5	60	–	65
	25	429	–	454
	2,263	429	296	2,988

* The above Director's remuneration was paid by subsidiary companies.

The number of Directors of the Group and the Company whose total remuneration during the financial year fall within the following bands are analysed below:

	2021	2020
Executive Directors:		
RM 350,001 - RM 550,000	1	–
RM 550,001 - RM 750,000	–	1
RM 1,550,001 - RM 1,750,000	1	–
RM1,750,001 - RM1,950,000	–	1
Non-executive Directors:		
Below RM50,000	–	–
RM50,001 - RM100,000	3	3
RM100,001 - RM150,000	2	2

25. FINANCE COSTS

	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
Interest expense on:				
Hire purchase	6	13	–	–
Bank borrowings	30,377	27,230	1,796	2,111
ICULS (Note 14 (a))	421	487	421	487
Unwinding of discount	11,368	1,584	422	1,122
	42,172	29,314	2,639	3,720
Less:				
Interest expense capitalised under:				
Land held for development in respect of qualifying assets (Note 4(a))	(1,759)	(1,775)	–	–
Property development costs in respect of qualifying assets (Note 4(b))	(6,233)	(791)	–	–
	34,180	26,748	2,639	3,720

26. (LOSS)/PROFIT BEFORE TAX

The following amounts have been included in arriving at (loss)/profit before tax:

	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
Employee benefits expense (Note 23)	18,690	19,154	2,698	3,137
Non-executive Directors' remuneration (Note 24)	457	454	308	305
Auditors' remuneration				
- statutory audit	363	346	75	62
- other services	7	19	7	19
- under provision in prior year	–	5	–	–
Depreciation of property, plant and equipment (Note 3)	2,691	2,757	5	7
Net loss on changes in fair value of investment properties	30,894	1,256	–	–
Gain on disposal of property, plant & equipment	(1)	(129)	–	–
Gain on fair value adjustments of financial assets at fair value through profit or loss	(1,186)	(733)	(50)	(217)

26. (LOSS)/PROFIT BEFORE TAX (CONT'D)

	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
Impairment on:				
- investment in subsidiaries (Note 7(a))	–	–	4,745	3,698
- intangible asset (Note 6)	94	294	–	–
- trade and other receivables (Note 11(a),(b))	6,886	19	4,514	–
Rental of land and buildings (Note 18)	54	372	–	–
Write-off of property, plant & equipment	1	2	–	–
Gain on termination of right-of-use	–	(2)	–	–
Gain on acquisition of a subsidiary	–	(3,040)	–	–
Reversal of impairment loss on investment in subsidiaries (Note 7(a))	–	–	(36)	(12,300)
Unwinding of discount	(132)	(25,142)	–	–
Write back of impairment for expected credit losses (Note 11(a),(b))	(406)	(13)	–	–
Expenses relating to leases of low-value assets (Note 18)	64	59	–	–
Loss on land compensation	(42)	–	–	–
Reversal of provision for property development obligations	–	(4,461)	–	–

27. INCOME TAX EXPENSE

	Group 2021 RM'000	Group 2020 RM'000	Company 2021 RM'000	Company 2020 RM'000
Statement of profit or loss				
Income tax:				
Current year tax expense	4,567	4,477	19	–
Over provision of tax in prior year	(283)	(3,071)	–	–
	4,284	1,406	19	–
Deferred tax (Note 10):				
Relating to origination and reversal of temporary differences	(7,044)	4,775	(14)	3
Under/(over) provision in prior years	217	(816)	–	–
	(6,827)	3,959	(14)	3
Total income tax (benefit)/expense	(2,543)	5,365	5	3

Income tax is calculated at the Malaysian statutory tax rate of 24% (2020: 24%) of the estimated assessable profit for the year.

27. INCOME TAX EXPENSE (CONT'D)

The reconciliation between tax expense and the product of accounting (loss)/profit multiplied by the applicable corporate tax rate for the years ended 31 March 2021 and 2020 are as follows:

	Group		Company	
	2021 RM'000	**2020 RM'000**	**2021 RM'000**	**2020 RM'000**
(Loss)/profit before tax	(33,150)	53,583	(11,113)	12,869
Taxation at Malaysian statutory tax rate of 24% (2020: 24%)	(7,956)	12,860	(2,667)	3,089
Income not subject to tax	(5,201)	(8,329)	(25)	(5,096)
Expenses not deductible for tax purposes	6,625	4,407	1,830	1,974
Utilisation of previously unrecognised tax losses and unabsorbed capital allowances	(148)	–	–	–
Deferred tax recognised at different rate	(273)	(51)	–	–
Deferred tax assets not recognised in respect of current year's unutilised tax losses, unabsorbed capital allowance and other temporary differences	4,476	365	867	36
Over provision of income tax expense in prior years	(283)	(3,071)	–	–
Under/(over) provision of deferred tax in prior years	217	(816)	–	–
Tax (benefit)/expense for the year	(2,543)	5,365	5	3

28. EARNINGS PER SHARE

(a) Basic

Basic earnings per share ("EPS") amounts are calculated by dividing the (loss)/profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year, before and after mandatory conversion of ICULS, held by the Company.

	Group	
	2021	**2020**
(Loss)/profit for the year attributable to ordinary equity holders of the Company (RM'000)	(30,317)	48,301
Weighted average number of ordinary shares in issue ('000)	1,038,634	1,037,127
Assumed full conversion of ICULS ('000)	444,610	451,720
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	1,483,244	1,488,847
Basic EPS attributable to ordinary equity holders of the Company		
- Before mandatory conversion of ICULS (sen)	(2.9)	4.7
- After mandatory conversion of ICULS (sen)	(2.0)	3.2

28. EARNINGS PER SHARE (CONT'D)

(b) Diluted

For the purpose of calculating diluted EPS, the profit for the year attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares in issue during the current financial year have been adjusted for the dilutive effects of all potential ordinary shares.

	Group	
	2021	**2020**
(Loss)/profit for the year attributable to ordinary equity holders of the Company (RM'000)	(30,317)	48,301
Weighted average number of ordinary shares in issue ('000)	1,038,634	1,037,127
Effects of dilution:		
Assumed full conversion of ICULS ('000)	444,610	451,720
Assumed exercise of warrants*	–	–
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	1,483,244	1,488,847
Diluted EPS attributable to ordinary equity holders of the Company after mandatory conversion of ICULS (sen)	(2.0)	3.2

* The assumed exercise of warrants at average market price in the current financial year would be anti-dilutive in nature. Accordingly, it is disregarded in the computation of the diluted earnings per share.

29. DIVIDENDS

The Directors do not recommend the payment of any dividend in respect of the current financial year.

30. LEASE COMMITMENTS

(a) Operating lease commitments

(i) Group as lessor

On 15 December 2004, the Group entered into a Lease Agreement ("the Agreement") with Magnificent Diagraph Sdn. Bhd. ("MDSB"), a company incorporated in Malaysia, for the lease of one long term leasehold land measuring approximately 6.265 acres as described in Note 5.

Amongst the salient terms of the Agreement are as follows:

(a) the Group agrees to lease the long term leasehold land to MDSB for a period of 30 years commencing within one month from the date at which all conditions precedent in the Agreement have been fulfilled ("the Commencement Date");

(b) The lease is provided for the purpose of the erection and construction and subsequent use by MDSB thereon for a hypermarket facility;

(c) MDSB shall pay to the Group an amount of RM474,846 as deposit;

30. LEASE COMMITMENTS (CONT'D)

(a) Operating lease commitments (cont'd)

(i) Group as lessor (cont'd)

Amongst the salient terms of the Agreement are as follows: (cont'd)

(d) The amount of rental payable by MDSB to the Group shall be calculated as follows:

(i) RM0.145 per square foot per month during the construction period;

(ii) RM0.29 per square foot per month commencing from the day immediately following the expiry of the construction period to the expiry of a period of three years commencing from the Commencement Date; and

(iii) Thereafter, at the end of every period of three years each, the first of which shall commence from the Commencement Date, the rental shall be increased at the rate of 7% of the rental of the preceding three years period.

(e) Notwithstanding anything in the Agreement, MDSB shall be entitled to lawfully terminate the Agreement at any time prior to the expiry of three years each, the first such three years period to commence from the date of the Agreement, without compensation or liability to the Group and the Group shall refund MDSB the deposit as described in item (c) above.

On 8 November 2005, all conditions precedent in the Agreement were fulfilled.

The lease proceeds from operating lease have been charged to financial institution as securities for the facilities granted to the Group, as disclosed in Note 16(b).

In addition to the above, the Group has entered into commercial property leases on its investment properties. These leases have remaining lease terms of between one to three years with renewal option included in the contracts.

Future minimum rentals receivable under non-cancellable operating leases that are between one to three years at the reporting date are as follows:

	Group	
	2021 **RM'000**	**2020** **RM'000**
Not later than 1 year	45,512	45,063
Later than 1 year but not later than 3 years	50,883	14,875
	96,395	59,938

31. CONTINGENT LIABILITIES

Upon adoption of MFRS 9, the financial guarantees provided to financiers for related companies are no longer disclosed as contingent liabilities but would instead be recorded as financial liabilities if considered likely to crystallise. The Group has assessed the financial guarantee contracts and concluded that the crystallisation of these guarantees is remote.

32. SIGNIFICANT EVENTS

(a) Subscription of Shares in Nova Fajar Development Sdn. Bhd. ("Nova Fajar")

On 25 January 2021 and 26 January 2021, APHB subscribed for 49,000 ordinary shares in Nova Fajar, representing 49% equity interest in Nova Fajar for a total cash consideration of RM490,000. On 2 October 2020, Nova Fajar entered into a joint venture agreement with Beverly Heights Properties Sdn Bhd to jointly develop two parcels of freehold land on Lot 2859 and Lot 3643, both situated in Mukim 18, Daerah Timor Laut, Penang into a mixed development and residential development respectively.

(b) Incorporation of AP Construction Sdn. Bhd. ("APSB")

On 2 February 2021, APHB incorporated APSB, a wholly-owned subsidiary of the Company with the principal activity of construction.

(c) Acquisition of Ambience Acres Sdn. Bhd. ("AASB")

On 25 August 2020, APHB acquired one ordinary share representing 100% equity interest in AASB with the principal activity of property development and investment.

(d) Acquisition of Equity Interest in Cahaya Riang Sdn. Bhd. ("CRSB")

On 28 August 2020, APHB acquired one ordinary share representing 100% equity interest in CRSB for a total cash consideration of RM1 with the principal activity of property development.

(e) Proposed Acquisition of 100% Equity Interest in Asian Gateway Construction Sdn. Bhd. ("AGCSB")

On 5 May 2021, Asian Pac Construction Sdn. Bhd, a wholly-owned subsidiary of APHB had entered into a Share Sale Agreement with Ho Seng Kung and Ho Cheng Hoe to acquire the entire equity interest in AGCSB at a total cash consideration of RM800,000 with the intended purpose to carry out construction works.

(f) COVID-19 pandemic

The Malaysian Government implemented several movement restriction orders in various phases - Movement Control Order ("MCO"), Conditional MCO and Recovery MCO ("RMCO") from 18 March 2020 as a preventive measure in response to the COVID-19 pandemic in Malaysia. With the ongoing spike in COVID-19 cases, the movement restriction continue to remain in force as at 31 March 2021. The following is the COVID-19 impact assessments based on the Group's major operating segments:

i) Imago mall retail outlets business

The initial MCO period had resulted in more than 90% temporary closure of the Group's Imago Mall retail outlets in KK Times Square, Kota Kinabalu, Sabah from 18 March 2020 to 9 May 2020. Following the resumption of economic activities under the RMCO and with most of the retail outlets having reopened from May 2020, shoppers traffic footfall has gradually increased toward the year-end festive period despite having to adhere to the Government's Standard Operating Procedures ("SOPs"). However, the recovery has been derailed following the implementation of a second MCO ("MCO 2.0") from 13 January 2021 to curb the rising number of COVID-19 cases where businesses were allowed to operate with tighter SOPs. MCO 2.0 was lifted on 5 March 2021 and was replaced with CMCO. The relaxation was short-lived following the implementation of the third MCO ("MCO 3.0") effective 12 May 2021 until 7 June 2021 on the back of resurgence in COVID-19 cases, where most economic sectors were still allowed to operate under stringent SOPs and shorter operating hours. In view of the escalating spike in daily COVID-19 cases, the country was placed under a full nationwide lockdown in the month of June 2021 where only essential services were allowed to operate, much like the initial MCO in the previous year. Despite the lingering COVID-19 pandemic and lockdown, temporary closure of the Imago mall retail outlets was lower at about 75% as compared to the initial lockdown in the previous year and shoppers footfall remained resilient with an increase of 66% as at 31 March 2021 as compared to 31 March 2020. However, as it is still too early at this stage to ascertain the impact of MCO 3.0, the Group will continue to monitor the mall's operation closely.

32. SIGNIFICANT EVENTS (CONT'D)

(f) COVID-19 pandemic (cont'd)

i) Imago mall retail outlets business (cont'd)

The summary of the financial impacts are as follows:

1) Significant drop in Imago Mall retail outlets' sales performance will affect the mall's turnover rent;

2) Drop in mall's revenue is due to 50% rental rebates on base/gross rent provided to the tenants to support tenants' business during the financial year;

3) Drop in mall's occupancy rate due to early termination and/or non-renewal of tenancy agreements; and

4) Increase in expected credit losses of RM2,001,000.

5) Increase in health and safety expenses due to the SOPs implemented and preparation of Personal Protective Equipment for employees' and shoppers. Total cost incurred during the financial year amounted to approximately RM100,000.

ii) Car parks operations

The initial impact of the MCO on Group's car park operations in the month of March and April 2020 was severe with more than 90% drop in revenue. With the relaxation of restrictions during the CMCO and RMCO from 10 May 2020 onwards, the Group experienced significant improvement in the traffic volume. However, the resurgence of the virus and increased in number of positive cases placed almost the entire nation under MCO again from January 2021 up to end April 2021. For the full financial year under review, the car park income was adversely impacted by a 30% drop in revenue from the previous financial year. With the reimposition of MCO 3.0 effective 12 May 2021 until 7 June 2021 and a full lock down during the month of June 2021 due to the acute hike in daily COVID-19 cases, the recovery of the car park operations is expected to be dampened.

As the car park collections are on "cash basis", the Group does not expect the car park operations to face liquidity or unable to fulfil its financial obligations in the foreseeable future. Barring unforeseen circumstances and subject to a successful vaccination roll-out nationwide, the Group expects the performance of car park operations to be the first segment starting to gradually recover to pre COVID-19 level by end of the year 2021.

iii) Property Development Segment

The impact of COVID-19 pandemic on the property development segment is as follows:

(a) Despite the various phases of MCO restrictions on site activities which resulted in the Group's development project being delayed, the Group has successfully commenced handling over the completed properties to purchasers within the stipulated timeline of the contractual sales and purchases agreement on 1 March 2021;

(b) Pre-development planning and authorities' site inspection were disrupted due to the closure of local authorities' office and officers who work from home during the MCO. Development progress was significantly impacted even after construction work was slowly resumed from May 2020 onwards as site activities was operating at below full capacity due to strict adherence to the SOPs imposed by the Government. This has resulted in the Group revised its business plan and defers the launching of the Group's projects to later part of 2021 or early 2022; and

(c) Sale of stock units and launching of new products were affected due to the physical sales and marketing activities being suspended. The Group has accelerated digital adoption of marketing platforms via Facebook and Google Ads to address the temporary restrictions on mass gathering for sales launch.

32. SIGNIFICANT EVENTS (CONT'D)

(f) COVID-19 pandemic (cont'd)

The Group addressed the impact of COVID-19 on the cash-flow, liquidity, financial performance and financial position by taking among others the following measures:

- Cost cutting measures on the direct and operating expenses, including staff salaries across the Group's businesses;
- The continuing support extended by the financial institutions through the extension of loan moratorium period on the principal repayment for the Group's loans has helped ease the Group's cash-flow to meet its operating expenditures;
- To conserve cash flow by deferring some less urgent capital expenditures to next financial year; and
- Continue to review the Group's business strategies and plans to take into account the reduction in revenue and deferment of development projects.

With the measures taken and coupled with the Group's existing resources, the Group is confident of its ability to fulfil its financial obligations to meet the operating expenditures and sustain its business in the foreseeable future.

33. RELATED PARTY DISCLOSURES

(a) Related party transactions

In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year:

	Group	
	2021 RM'000	**2020 RM'000**
Lease paid/payable to a company with common Director	712	148
Car park management revenue from a group of companies with common Director	1,100	1,036
Introducer fees paid/payable to a substantial shareholder of the Company	1,798	–

	Company	
	2021 RM'000	**2020 RM'000**
Gross dividend income from subsidiaries	–	8,200
Management fees charged to subsidiaries	4,071	3,434

The above transactions with related companies were transacted at terms and conditions which were mutually agreed between the parties concerned.

Related companies refer to companies within the Asian Pac Holdings Group.

(b) Compensation by key management personnel

The Company defines key management personnel as its Directors whose remunerations are detailed in Note 24.

34. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximations of fair value:

	Note
Trade and other receivables	11
Loans and borrowings (current)	16
Trade and other payables	17

Determination of fair value

The carrying amounts of trade and other receivables, trade and other payables and floating rate term loans are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

The carrying amounts of loans and borrowings are reasonable approximations of fair values due to the insignificant impact of discounting.

The fair values of loans and borrowings are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date.

Lease obligations

The fair values of these financial instruments are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date.

Quoted equity instruments

Fair value is determined directly by reference to their published market bid price at the reporting date.

Financial guarantees

Fair value is determined based on probability weighted discounted cash flow method. The probability has been estimated and assigned for the following key assumptions:

- The likelihood of the guaranteed party defaulting within the guaranteed period;
- The exposure on the portion that is not expected to be recovered due to the guaranteed party's default;
- The estimated loss exposure if the party guaranteed were to default.

The fair value of all unexpired financial guarantees issued by the Company were deemed nil and were not recognised as financial liabilities, as based on the current and past repayment trends of the guaranteed parties, the likelihood of the guaranteed party defaulting within the guaranteed period were assessed to be remote.

34. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT'D)

Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets that are recognised in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved in valuation of significant assets, such as investment properties.

Involvement of external valuers is decided upon annually by the senior management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Senior management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the senior management analyses the movements in the values of assets which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, senior management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

Senior management, in conjunction with the Group's external valuers, also compare changes in the fair value of each asset with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets on the basis of the nature, characteristics and risks of the asset and the level of the fair value hierarchy as explained above.

34. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT'D)

Fair value hierarchy (cont'd)

As at 31 March 2021 and 31 March 2020, the Group and the Company held the following assets carried at fair value in the statements of financial position:

	2021 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
Group				
Assets measured at fair value				
Non-current financial asset:				
Quoted shares in Malaysia	4,856	4,856	–	–
Investment properties	1,287,470	–	–	1,287,470
Current financial asset:				
Short term investments	16,266	16,266	–	–
Company				
Assets measured at fair value				
Non-current financial asset:				
Quoted shares in Malaysia	1,593	1,593	–	–
Current financial asset:				
Short term investments	900	900	–	–

	2020 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
Group				
Assets measured at fair value				
Non-current financial asset:				
Quoted shares in Malaysia	1,942	1,942	–	–
Investment properties	1,318,364	–	–	1,318,364
Current financial asset:				
Short term investments	13,044	13,044	–	–

34. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT'D)

Fair value hierarchy (cont'd)

	2020 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
Company				
Assets measured at fair value				
Non-current financial asset:				
Quoted shares in Malaysia	638	638	–	–
Current financial asset:				
Short term investments	2,062	2,062	–	–

During the financial year ended 31 March 2021, there was no known transfer between Level 1, Level 2 and Level 3 fair value measurement.

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk, market price risk and foreign currency risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks. The Audit and Risk Committee provides independent oversight to the effectiveness of the risk management process.

The following sections provide details regarding the Group's and Company's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and cash equivalents), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis to ensure that the Group's exposure to bad debts is kept to the minimum.

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Credit risk (cont'd)

Exposure to credit risk

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by:

- The carrying amount of each class of financial assets recognised in the statements of financial position.
- Corporate guarantee provided by the Company to banks or financial institutions on subsidiaries' bank loans and borrowings.

Information regarding credit enhancements for trade and other receivables is disclosed in Note 11.

Credit risk concentration profile

The Group and the Company determine concentration of credit risk by monitoring the business segment of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's and the Company's trade receivables at the reporting date are as follows:

	2021		2020	
	RM'000	**% of total**	**RM'000**	**% of total**
Group				
By business segments:				
Property development	2,200	32%	904	24%
Mall operations	4,446	64%	1,671	44%
Car park operations	192	3%	157	4%
Trading of building materials	–	0%	1,063	28%
Others	39	1%	–	0%
	6,877	100%	3,795	100%

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposures to liquidity risk arise primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objectives are to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

At the reporting date, approximately 25% (2020: 14%) of the Group's loans and borrowings as disclosed in Note 16 will mature in less than one year based on the carrying amount reflected in the financial statements.

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	On demand or within one year RM'000	More than one year less than five years RM'000	Over five years RM'000	Total RM'000
2021				
Group				
Financial liabilities:				
Trade and other payables (excluding service tax payable)	91,859	128,910	–	220,769
Loans and borrowings	120,782	250,962	152,643	524,387
Lease liabilities	1,088	1,012	–	2,100
ICULS	–	5,111	–	5,111
Preference shares	25,449	27,824	–	53,273
Total undiscounted financial liabilities	239,178	413,819	152,643	805,640
Company				
Financial liabilities:				
Trade and other payables, excluding financial guarantees	33,341	12,705	–	46,046
Loans and borrowings	26,820	–	–	26,820
ICULS	–	5,111	–	5,111
Total undiscounted financial liabilities*	60,161	17,816	–	77,977

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities (cont'd)

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations (cont'd).

	On demand or within one year RM'000	More than one year less than five years RM'000	Over five years RM'000	Total RM'000
2020				
Group				
Financial liabilities:				
Trade and other payables	69,830	155,246	–	225,076
Loans and borrowings	87,578	247,828	175,261	510,667
Lease liabilities	697	931	–	1,628
ICULS	–	7,581	–	7,581
Preference shares	4,750	53,273	–	58,023
Total undiscounted financial liabilities	162,855	464,859	175,261	802,975
Company				
Financial liabilities:				
Trade and other payables, excluding financial guarantees	7,588	12,283	–	19,871
Loans and borrowings	27,097	–	–	27,097
ICULS	–	7,581	–	7,581
Total undiscounted financial liabilities*	34,685	19,864	–	54,549

* At the reporting date, the counterparty to the financial guarantees do not have a right to demand cash as the default has not occurred. Accordingly, financial guarantees under the scope of MFRS 9 are not included in the above maturity profile analysis.

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's exposure to interest rate risk arise primarily from the short term deposits and loans and borrowings.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 10 basis points lower/higher, with all other variables held constant, the Group's and the Company's loss net of tax arising as a result of lower/higher interest income on short term deposits and interest expense on floating rate loans and borrowings would have the following effects:

	Group		Company	
	2021 RM'000	**2020 RM'000**	**2021 RM'000**	**2020 RM'000**
Loss net of tax	(206)	(190)	(19)	(19)

(d) Market price risk

Market price risk is the risk that the fair value of future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates).

The Group and the Company are exposed to equity price risk arising from investment in quoted equity instruments in Malaysia. These instruments are classified as financial assets at fair value through OCI. The Group and the Company do not have exposure to commodity price risk.

The Group's and the Company's exposure to market price risk are minimal as the Group's and the Company's investment in quoted equity instruments are small compared to its total assets.

(e) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company has transactional currency exposure arising from amount due from an associate that is denominated in Indonesian Rupiah.

The Company's exposure to foreign currency risk is minimal.

36. CAPITAL MANAGEMENT

The primary objective of the Group's and the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and to maximise shareholder value.

The Group and the Company manage its capital structure and make adjustments to it, in light of changes in economic conditions or expansion plans of the Group and the Company. No changes were made in the objectives, policies or processes during the years ended 31 March 2021 and 31 March 2020.

36. CAPITAL MANAGEMENT (CONT'D)

The Group's and the Company's policy is to maintain a sustainable gearing ratio to meet its existing requirements taking into consideration the facilities agreements entered into by the Group and the Company. The Group and the Company include within the net debt, loans and borrowings, lease liabilities, trade and other payables, short term deposits and cash and cash equivalents. Capital refers to equity attributable to owners.

		Group		Company	
	Note	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Loans and borrowings	16	485,911	461,184	30,111	32,581
Trade and other payables	17	221,090	225,076	46,046	19,871
Lease liabilities	18	1,966	1,492	–	–
Less: Cash and bank balances	13	(70,149)	(45,396)	(1,050)	(1,145)
Net debt		638,818	642,356	75,107	51,307
Equity attributable to the owners of the parent, representing total capital		1,065,871	1,093,093	516,762	526,744
Capital and net debt		1,704,689	1,735,449	591,869	578,051
Gearing ratio		37.5%	37.0%	12.7%	8.9%

37. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services, and has 5 reportable operating segments as follows:

(a) Investment holding - holding of quoted and unquoted shares for capital investment purposes;

(b) Property development - development of residential and commercial properties;

(c) Land and office properties - rental and capital appreciation;

(d) Car park operations - operation of car park; and

(e) Mall operations - mall leasing and operation.

Except as indicated above, no operating segments have been aggregated to form the above reportable segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments are on arm's length basis in a manner similar to transactions with third parties.

NOTES TO THE FINANCIAL STATEMENTS

37. SEGMENT INFORMATION (CONT'D)

	Investment holding and others		Property development		Property investment: Land and office properties		Property investment: Car park operations		Property investment: Mall operations		Adjustments and eliminations		Note	Consolidated	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000		2021 RM'000	2020 RM'000
Revenue:															
External customers	1,403	2,780	41,237	99,865	1,267	1,248	6,959	10,035	37,386	64,245	–	–		88,252	178,173
Inter-segment	4,088	33,341	9,662	7,225	–	–	143	174	16,788	20,737	(30,681)	(61,477)	A	–	–
Total revenue	5,491	36,121	50,899	107,090	1,267	1,248	7,102	10,209	54,174	84,982	(30,681)	(61,477)		88,252	178,173
Results:															
Interest income	12	–	672	1,629	–	13	34	91	57	295	–	–		775	2,028
Depreciation	12	13	1,405	1,326	11	11	191	146	1,072	1,261	–	–		2,691	2,757
Other non-cash expenses	422	1,122	8,841	220	–	–	–	–	139	242	2,008	–	B	11,410	1,584
Impairment of assets	20,030	14,382	5	3	–	40	6,940	760	32,401	2,956	(15,402)	(14,072)	C	43,974	4,069
Segment (loss)/profit	2,410	42,704	(10,456)	34,993	5,818	3,038	(4,863)	3,770	(32,306)	22,361	6,247	(53,283)		(33,150)	53,583
Assets and liabilities:															
Additions to non-current assets	18	–	553	364	–	–	246	432	228	1,393	–	–		1,045	2,189
Segment assets	54,680	48,478	586,241	562,315	169,595	163,265	118,365	127,806	1,021,080	1,052,433	85,650	86,697	D	2,035,611	2,040,994
Segment liabilities	105,162	99,348	379,914	385,392	12,267	11,514	9,313	10,359	406,733	375,244	53,092	62,495	E	966,481	944,352

37. SEGMENT INFORMATION (CONT'D)

Notes Nature of expenses, adjustments and eliminations to arrive at amounts reported in the consolidated financial statements

A Inter-segment revenues are eliminated upon consolidation.

B Other material non-cash expenses consists of the following items presented in the respective notes to the financial statements:

	Note	2021 RM'000	2020 RM'000
Unwinding interest	25	11,368	1,584
Loss on land compensation	26	42	–
		11,410	1,584

C Impairment of assets consists of:

	Note	2021 RM'000	2020 RM'000
Impairment on intangible asset	6	94	294
Impairment in value of investment properties	5	36,994	3,756
Impairment in trade and other receivables	26	6,886	19
		43,974	4,069

D The following items are added to/(deducted from) segment assets to arrive at total assets reported in the consolidated statement of financial position:

	2021 RM'000	2020 RM'000
Land held for property development	51,636	53,644
Intangible asset	37,276	37,370
Property development costs	3,623	20,389
Investment properties	(4,139)	(7,940)
Inventories - completed properties	(2,746)	–
Accrued billings in respect of property development costs	–	(16,766)
	85,650	86,697

37. SEGMENT INFORMATION (CONT'D)

Notes Nature of expenses, adjustments and eliminations to arrive at amounts reported in the consolidated financial statements (cont'd)

E The following items are (deducted from)/added to segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:

	2021 RM'000	2020 RM'000
Deferred tax liabilities	66,117	66,599
Lease creditors	(4,139)	(4,104)
Tax payable	(8,886)	–
	53,092	62,495

Geographical segments

No geographical segment is prepared as the Group operates only in Malaysia.

38. CAPITAL COMMITMENTS

There was no capital commitment for the financial year ended 31 March 2021.

39. SUBSEQUENT EVENT

Redemption of Preference Shares by AGB

On 28 May 2019, AGB entered into Subscription Agreement with Areca Strategic Income Fund for the issuance of 25,000,000 redeemable preference shares (""RPS-A"") valued at RM1.00 together with 7,125,000 free detachable zero-rated redeemable preference shares (""ZRPS-A"") for a period of three (3) years and 25,000,000 redeemable preference shares (""RPS-B"") valued a RM1.00 each together with 4,750,000 free detachable zero-rated redeemable preference shares (""ZRPS-B"") for a period of two (2) years by AGB to finance the acquisition of loan assets from Prokhas Asset Management Sdn. Bhd. by AGB Properties Sdn. Bhd. (""AGB"") for the purpose of facilitating BH Builders Sdn. Bhd., the related company of AGB to acquire 5 parcels of leasehold lands which were pledged as a security under Kuala Lumpur Industries Holdings Berhad, the holding company of the vendor, that is under liquidation.

On 9 June 2021, APHB has fully redeemed all the 25,000,000 RPS-B at a redemption price of RM1.00 per RPS-B together with 4,750,000 free detachable ZRPS-B upon maturity.

LIST OF PROPERTIES HELD
AS AT 31 MARCH 2021

Location	Description	Existing Use	Tenure	Age of Building	Area	Net Book Value RM'000	Acquisition/ Completion/ Valuation Date
Title No. TL 17533505 Kota Kinabalu, Sabah	KKTS 2 - Mall	Retail Property & Car Park Operations	Leasehold expires : 31/12/2076	6	803,601 sq. ft. & 315,403 sq. ft.	1,067,290	31/03/2020
H.S. (D) 54784 - 54788, PT 12813 - 12817, Mukim Petaling, Daerah Petaling, Selangor	Land	Land held for development	Leasehold expires : 02/08/2090	N/A	74 acres	341,748	31/03/2021
HSD 28646, Lot No. PT 4021, Mukim of Semenyih, District of Ulu Langat, Selangor	Land	Investment Property	Freehold	N/A	91.37 acres	87,000	25/03/2021
H.S. (D) 157186, PT 23762, Mukim Labu, Daerah Seremban, Negeri Sembilan	Land	Vacant	Leasehold expires : 9/11/2102	N/A	404.76 acres	52,300	09/12/2020
PN 39178, Lot 63579 Mukim of Batu, Wilayah Persekutuan	Land	For Lease	Leasehold expires : 10/01/2087	N/A	5.71 acres	50,000	31/03/2021
Title No. TL 17540500 Kota Kinabalu, Sabah	Ground and basement carpark	Carpark operations	Leasehold Expires : 31/12/2080	13	142,000 sq. ft.	36,130	31/03/2021
PN 113068, Lot 87285 Mukim Sungai Buloh, Petaling, Selangor	Land	Property under development	Leasehold Expires : 26/02/2116	N/A	6.47 acres	34,036	26/03/2013
Town Lease 017514617 Likas, District of Kota Kinabalu, Sabah	Land	Property under development	Leasehold expires : 22/12/2063	N/A	1.85 acre	30,600	30/08/2018
Country Lease No. 025314096 District of Papar, Sabah	Land	Property under development	Leasehold expires : 28/06/2924	N/A	16.57 acres	29,076	10/09/2015
PT 298, HS (D) 39196 Mukim Bandar Kundang, Gombak, Selangor	Land	Vacant	Leasehold expires : 24/1/2101	N/A	50.01 acres	30,500	11/03/2021

STATEMENT OF SECURITIES HOLDERS

ORDINARY SHARES AS AT 30 JULY 2021

Issued and paid-up capital	:	RM213,592,730.00
No. of Holders	:	14,646
Voting Rights	:	One vote per share

DISTRIBUTION OF SHAREHOLDERS/DEPOSITORS

Size of Holdings	No. of Shareholders/ Depositors	% of Shareholders/ Depositors	No. of Shares Held	% of Issued Capital
1 – 99	243	1.659	4,801	0.000
100 – 1,000	3,195	21.814	2,969,197	0.282
1,001 – 10,000	7,178	49.009	34,357,495	3.271
10,001 – 100,000	3,293	22.483	124,293,616	11.835
100,001 – 52,510,379	735	5.018	741,513,832	70.606
52,510,380 and above	2	0.013	147,068,669	14.003
Total	**14,646**	**100.000**	**1,050,207,610**	**100.000**

LIST OF THIRTY LARGEST SHAREHOLDERS/DEPOSITORS

	Name	No. of Shares Held	% of Issued Capital
1	Mah Sau Cheong	75,068,669	7.147
2	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Mah Sau Cheong	72,000,000	6.855
3	South Malaysia Industries Berhad	48,344,000	4.603
4	Amsec Nominees (Tempatan) Sdn Bhd Ambank (M) Berhad for Tan Boon Seng	45,458,500	4.328
5	Dato' Mustapha Bin Buang	29,724,485	2.830
6	Bandar Sri Tujuh Sdn Bhd	21,475,000	2.044
7	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Douglas Cheng Heng Lee	21,001,000	1.999
8	Puncak Darul Naim Sdn Bhd	19,617,100	1.867
9	Leow Hong Yen	18,500,000	1.761
10	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Mah Sau Cheong	18,000,000	1.713
11	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Mah Sau Cheong	17,000,000	1.618
12	Peh Lai Yian	10,353,700	0.985
13	Chin Khee Kong & Sons Sendirian Berhad	9,186,800	0.874
14	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Boon Seng	8,821,400	0.839
15	Seraya Kota Sdn Bhd	8,153,400	0.776
16	Mah Wee Hian @ Mah Siew Kung	8,053,300	0.766
17	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Loh Kuan Fong	8,030,000	0.764

STATEMENT OF SECURITIES HOLDERS

LIST OF THIRTY LARGEST SHAREHOLDERS/DEPOSITORS (CONT'D)

	Name	No. of Shares Held	% of Issued Capital
18	RHB Nominees (Tempatan) Sdn Bhd OSK Trustees Berhad for The Divine Vision Trust	7,526,500	0.716
19	Tan Tuan Shee	7,330,000	0.697
20	UOB Kay Hian Nominees (Asing) Sdn Bhd Exempt An For UOB Kay Hian Pte Ltd	6,740,516	0.641
21	Taman Bunga Merlimau Sdn Bhd	5,782,000	0.550
22	ABB Nominee (Tempatan) Sdn Bhd Pledged Securities Account for Puncak Darul Naim Sdn Bhd	5,600,000	0.533
23	Puncak Darul Naim Sdn Bhd	5,412,575	0.515
24	Chin Lai Kuen	5,260,000	0.500
25	Dato' Khiu Fu Siang	5,125,100	0.488
26	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Dato' Khiu Fu Siang	5,115,000	0.487
27	MP Factors Sdn Bhd	5,040,000	0.479
28	Mah Siew Seong	4,888,800	0.465
29	Che Norsiah Binti Mohd Shariff	4,639,800	0.441
30	Chang Fai Ann	4,623,400	0.440
		511,871,045	**48.739**

SUBSTANTIAL SHAREHOLDERS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDER

	No. of Shares Held			
	Direct	**%**	**Indirect**	**%**
Mah Sau Cheong	182,068,669	17.34	*5,260,000	0.50
Tan Boon Seng	54,279,900	5.17	–	–

DIRECTORS' INTEREST IN SHARES

	No. of Shares Held			
	Direct	**%**	**Indirect**	**%**
Tan Sri Dato' Seri Hj Megat Najmuddin bin Datuk Seri Dr Hj Megat Khas	194,800	0.02	–	–
Dato' Mustapha Bin Buang	32,850,985	3.13	*800,000	0.08
Datuk Mohamed Salleh Bin Bajuri	500,000	0.05	–	–
Ms Tan Siew Poh	2,188	Negligible	–	–
Ms Soon Dee Hwee	–	–	–	–
Dr. Yu Tat Loong	–	–	–	–
Mr Sherman Lam Yuen Suen	–	–	–	–

Note:

* Deemed interest by virtue of his spouse.

STATEMENT OF SECURITIES HOLDERS

5-YEAR 3% IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS ("ICULS") AS AT 30 JULY 2021

Unconverted ICULS	:	87,727,861
Conversion Price	:	RM1.00
Maturity Date	:	25 May 2022
Conversion Period	:	26 May 2017 – 25 May 2022
Conversion Rights	:	Each ICULS holder has the rights to convert ICULS held into new Ordinary Shares of the Company at the Conversion Price during the Conversion Period

DISTRIBUTION OF ICULS HOLDERS

Size of Holdings	No. of ICULS Holders	% of ICULS Holders	No. of ICULS Held	% of ICULS Issued
1 – 99	4	0.627	154	0.000
100 – 1,000	267	41.915	135,366	0.154
1,001 – 10,000	214	33.594	925,168	1.054
10,001 – 100,000	108	16.954	3,760,960	4.287
100,001 – 4,386,392	42	6.593	24,105,802	27.477
4,386,393 and above	2	0.313	58,800,411	67.025
Total	**637**	**100.000**	**87,727,861**	**100.000**

LIST OF THIRTY LARGEST ICULS HOLDERS

	Name	No. of ICULS Held	% of ICULS Issued
1	Mah Sau Cheong	34,800,411	39.668
2	Mah Sau Cheong	24,000,000	27.357
3	South Malaysia Industries Berhad	4,164,400	4.746
4	Puncak Darul Naim Sdn Bhd	3,354,200	3.823
5	Seraya Kota Sdn Bhd	2,547,500	2.903
6	Bandar Sri Tujuh Sdn Bhd	2,386,900	2.720
7	Choo Lye Hock	1,517,800	1.730
8	Chin Khee Kong & Sons Sendirian Berhad	765,000	0.872
9	Mah Wee Hian @ Mah Siew Kung	700,000	0.797
10	Goh Thong Beng	680,000	0.775
11	Chin Kiam Hsung	634,500	0.723
12	RHB Nominees (Tempatan) Sdn Bhd OSK Trustees Berhad for The Divine Vision Trust	481,170	0.548
13	Che Norsiah Binti Mohd Shariff	464,980	0.530
14	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chin Kiam Hsung	377,570	0.430
15	Chin Sin Lin	374,000	0.426
16	Puncak Darul Naim Sdn Bhd	351,562	0.400
17	Chin Kian Fong	345,500	0.393

STATEMENT OF SECURITIES HOLDERS

LIST OF THIRTY LARGEST ICULS HOLDERS (CONT'D)

	Name	No. of ICULS Held	% of ICULS Issued
18	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chin Kiam Hsung	339,990	0.387
19	Zubaidah Binti Bunyamin	330,390	0.376
20	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Dato' Mustapha Bin Buang	312,650	0.356
21	Life Enterprise Sdn Bhd	270,000	0.307
22	Leong Wai Hong	265,200	0.302
23	Tan Yee Ming	260,000	0.296
24	Tan Ah Moi	258,000	0.294
25	Lim Hock Chuan	243,950	0.278
26	Maybank Securities Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chuan Ming	243,000	0.276
27	Jenny Wong	220,400	0.251
28	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Loh Kuan Fong	200,000	0.227
29	Indar Kaur A/P Dan Singh	161,000	0.183
30	HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Geok Lian	153,540	0.175
		81,203,613	**92.563**

DIRECTORS' INTEREST IN ICULS

	No. of ICULS Held			
	Direct	**%**	**Indirect**	**%**
Tan Sri Dato' Seri Hj Megat Najmuddin bin Datuk Seri Dr Hj Megat Khas	20,000	0.02	–	–
Dato' Mustapha Bin Buang	313,650	0.36	*1,000	negligible
Datuk Mohamed Salleh Bin Bajuri	50,000	0.06	–	–
Ms Tan Siew Poh	1,000	Negligible	–	–
Ms Soon Dee Hwee	–	–	–	–
Dr. Yu Tat Loong	–	–	–	–
Ms Sherman Lam Yuen Suen	–	–	–	–

Note:

* Deemed interest by virtue of his spouse.

STATEMENT OF SECURITIES HOLDERS

WARRANTS
AS AT 30 JULY 2021

Unexercised Warrants	:	198,512,922
Maturity Date	:	25 May 2022
Exercise Period	:	26 May 2017 – 25 May 2022
Exercise Price	:	RM0.25
Exercise Rights	:	Each warrant holder entitles to subscribe for 1 new ordinary share in the Company at the Exercise Price during the Exercise Period

DISTRIBUTION OF WARRANTS HOLDERS

Size of Holdings	No. of Warrants Holders	% of Warrants Holders	No. of Warrants Held	% of Warrants Issued
1 – 99	5	0.349	346	0.000
100 – 1,000	207	14.465	94,880	0.047
1,001 – 10,000	401	28.022	2,247,360	1.132
10,001 – 100,000	572	39.972	25,980,320	13.087
100,001 – 9,925,645	245	17.120	83,257,094	41.940
9,925,646 and above	1	0.069	86,932,922	43.792
Total	**1,431**	**100.000**	**198,512,922**	**100.000**

LIST OF THIRTY LARGEST WARRANTS HOLDERS

	Name	No. of Warrants Held	% of Warrants Issued
1	Mah Sau Cheong	86,932,922	43.792
2	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Teh Heng Tian	3,300,000	1.662
3	Chin Khee Kong & Sons Sendirian Berhad	1,530,000	0.770
4	Lee Sing Gee	1,400,000	0.705
5	Kenanga Nominees (Tempatan) Sdn Bhd Rakuten Trade Sdn Bhd for Tan Kah Keat	1,334,000	0.671
6	Mohd Hairos Bin Daud	1,144,500	0.576
7	Cheong Peng Hong	1,050,000	0.528
8	Teoh Chun Heng	1,001,400	0.504
9	Chai Pow Sam	1,000,000	0.503
10	Goh Boon Leong	1,000,000	0.503
11	Suhalle @ Suhaili Bin Shamsuddin	1,000,000	0.503
12	Mohamad Azzmi Bin Abu Dolah	995,000	0.501
13	Chan Hui Foong	940,000	0.473
14	Ansyafreena Binti Anuar	841,500	0.423
15	Mohamad Fuad Bin Abdul Rahman	829,800	0.418
16	Omar Bin Abu Bakar	828,000	0.417
17	HLIB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Hai Yiew	800,000	0.402

STATEMENT OF SECURITIES HOLDERS

LIST OF THIRTY LARGEST WARRANTS HOLDERS (CONT'D)

	Name	No. of Warrants Held	% of Warrants Issued
18	Ibrahim Memali Bin Asmawi	800,000	0.402
19	Muhammad Airil Rizman Bin Izhar	800,000	0.402
20	Suhaimi Bin Mahasan	777,000	0.391
21	Loh Peck Lee	764,401	0.385
22	Chin Sin Lin	748,000	0.376
23	Nik Sufian Bin Mohamad Zainu	673,500	0.339
24	Chong Mun Hoe	650,000	0.327
25	Tuan Rahimi Bin Tuan Man	650,000	0.327
26	Azizul Bin Ahmad	630,000	0.317
27	Mohd Norfarizal Bin Mohd Nor	625,000	0.314
28	Chung Shet Yoke	600,000	0.302
29	Gunasekaran A/L P Kandasamy	600,000	0.302
30	Kenanga Nominees (Tempatan) Sdn Bhd Rakutan Trade Sdn Bhd for Saifullah Bin Mohd Shariff	600,000	0.302
		114,845,023	**57.852**

DIRECTORS' INTEREST IN WARRANTS

	No. of Warrants Held			
	Direct	**%**	**Indirect**	**%**
Tan Sri Dato' Seri Hj Megat Najmuddin bin Datuk Seri Dr Hj Megat Khas	40,000	0.02	–	–
Dato' Mustapha Bin Buang	2,000	negligible	*2,000	negligible
Datuk Mohamed Salleh Bin Bajuri	100,000	0.05	–	–
Ms Tan Siew Poh	–	–	–	–
Ms Soon Dee Hwee	–	–	–	–
Dr. Yu Tat Loong	–	–	–	–
Mr Sherman Lam Yuen Suen	–	–	–	–

Note:

* Deemed interest by virtue of his spouse.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 103rd Annual General Meeting of the Company will be conducted on a fully virtual basis at the Broadcast Venue at Tricor Business Centre, Manuka 2 & 3 Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur on Wednesday, 29 September 2021 at 2.00 p.m. to transact the following businesses:

AGENDA

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 March 2021 and the Reports of the Directors and Auditors. ***[Please refer Explanatory Note 4 (a)]***

2. To re-elect the following Directors of the Company who retire by rotation and being eligible offer themselves for re-election in accordance with Clause 23.4 of the Company's Constitution:

   (i) Ms. Tan Siew Poh
   (ii) Mr. Sherman Lam Yuen Suen ***Resolution 1***
   (iii) Ms. Soon Dee Hwee ***Resolution 2***

   However, among the three (3) Directors who are retiring by rotation, Ms. Tan Siew Poh who is due for retirement in accordance with Clause 23.4, is not seeking for re-election. Hence, she will retain office until the close of the 103rd AGM.

3. **(a) Directors' Fees in respect of financial year ending 31 March 2022** ***Resolution 3***

   To approve the Directors' Fees up to RM432,000.00 payable to the Non-Executive Directors of the Company and subsidiary for the financial year ending 31 March 2022.

   (b) Meeting Allowances to Non-Executive Directors ***Resolution 4***

   To approve the payment of meeting allowances up to an amount of RM25,000.00 from 30 September 2021 until the next annual general meeting of the Company.

   (c) Additional Meeting Allowances to Non-Executive Directors ***Resolution 5***

   To approve the payment of additional meeting allowances of RM15,000 to Non-Executive Directors of the Company for the period of 1 October 2020 until 29 September 2021.

4. To re-appoint Messrs. Ernst & Young PLT as the Company's Auditors to hold office for the ensuing year and to authorise the Directors to fix their remuneration. ***Resolution 6***

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL BUSINESS

5. To consider and, if thought fit, pass the following ordinary resolutions with or without modifications as:

Ordinary Resolutions

(a) Authority to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016 ***Resolution 7***

THAT pursuant to Sections 75 and 76 of the Companies Act 2016 and subject to the approval of the relevant authorities, the Directors be and are hereby empowered to allot and issue shares in the Company from time to time at such price and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion, deem fit **PROVIDED** that the aggregate number of shares to be issued for such person or persons whomever does not exceed 10% of the total issued share capital of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next annual general meeting of the Company.

(b) Retention as Independent Non-Executive Director ***Resolution 8***

THAT authority be and is hereby given to Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years to continue to act as an Independent Non-Executive Director of the Company.

6. To transact any other business for which due notice shall have been given in accordance with the Companies Act 2016 and the Company's Constitution.

By Order of the Board

Chan Yoon Mun SSM PC No: 202008000391/MAICSA 0927219
Ooi Mei Ying SSM PC No: 202008000797/MAICSA 7051036
Secretaries

Kuala Lumpur
30 August 2021

Notes:

1) **Broadcast Venue**

The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the Meeting to be at the main venue of the meeting. No members/proxies are allowed to attend the 103rd AGM in person at the Broadcast Venue on the day of 103rd AGM.

2) **Members Entitled To Attend**

In respect of deposited securities, only members whose names appear in the Record of Depositors on 21 September 2021 (General Meeting Record of Depositors) shall be entitled to participate and vote at the 103rd AGM.

NOTICE OF ANNUAL GENERAL MEETING

Notes: (cont'd)

3) **Appointment of Proxy**

(a) A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies (but not more than two [2] proxies) to attend and vote in his stead. A proxy may or need not be a member of the Company.

(b) Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.

(c) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("**SICDA**"), it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

(d) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.

(e) An instrument appointing a proxy, in the case of an individual, shall be signed by the appointor or by his/her attorney and in the case of a corporation shall be either given under its common seal or signed on its behalf by an attorney or officer of the corporation so authorised.

(f) An instrument appointing a proxy must be deposited at the office of Share Registrar, Tricor Investor and Issuing House Services Sdn Bhd of Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur either (i) by hand/post; or (ii) by facsimile at Share Registrar's fax no. 03-2783 9222 or (iii) via email to is.enquiry@my.tricorglobal.com not less than forty eight (48) hours before the time appointed for holding the meeting or any adjournment thereof. You will receive an email to notify you that the remote participation is available for registration via Online website at https://tiih.online.

4) **Explanatory Notes on Ordinary Business**

(a) Item 1 of the Agenda - To receive the Audited Financial Statements for the financial year ended 31 March 2021

This Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 ("**the Act**") does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item will not be put forward for voting.

(b) Resolutions 3 to 5 - Directors' Fees and meeting allowances to Non-Executive Directors

Pursuant to Section 230(1) of the Companies Act 2016, fees and any benefits payable to the Directors of the Company and its subsidiaries shall be approved by the shareholders at a general meeting.

The details of the fees and meeting allowances payable to the Non-Executive Directors are as follows:

Directors' Fees (per annum)

Chairman of the Board	- RM144,000/-
Chairman of the ARMC	- RM108,000/-
Other Non-Executive Director	- RM60,000/-

Meeting Allowance (per meeting/day)

Non-Executive Director	- RM1,000/-

Payment of Directors' fees and meeting allowances will be made by the Company on a monthly basis and as and when incurred. The Board is of the view that it is just and equitable for the Non-Executive Directors to be paid the Directors' Fees and meeting allowances on a monthly basis and as and when incurred, particularly after they have discharged their responsibilities and rendered their services to the Company and its subsidiaries.

Additional Meeting Allowances of RM15,000/-

Payment of additional meeting allowances of RM15,000 to Non-Executive Directors due to additional meetings held for the period of 1 October 2020 until 29 September 2021.

NOTICE OF ANNUAL GENERAL MEETING

Notes: (cont'd)

5) **Explanatory Notes on Special Business:-**

(a) Resolution 7 - Authority to issue shares pursuant to Sections 75 & 76 of the Companies Act, 2016

The proposed Resolution 7, if passed, is a renewal of general mandate to empower the Directors of the Company, from the date of the above AGM, to issue a maximum of up to ten percent (10%) of the issued and paid-up capital of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next AGM of the Company.

There were no shares issued from the previous mandate given to the Directors at the last AGM held on 30 September 2020, which will lapse upon conclusion of the forthcoming 103rd AGM.

The general mandate will provide flexibility to the Company for any possible fund raising activities including but not limited to further placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisition.

(b) Resolution 8 - Proposed Retention of Tan Sri Dato' Seri Hj Megat Najmuddin Bin Datuk Seri Dr Hj Megat Khas ("Tan Sri Dato' Seri Megat Najmuddin") as Independent Non-Executive Director

The Nomination Committee ("**NC**") of the Company had assessed the independence of Tan Sri Dato' Seri Megat Najmuddin who had served as Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years and recommended Tan Sri Dato' Seri Megat Najmuddin to continue to act as Independent Non-Executive Director of the Company based on the following justifications:

i) He fulfilled the criteria under the definition of independent director as stated in Chapter 1 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;
ii) He has vast experience in a diverse range of businesses which enable him to provide constructive and independent judgement in the best interest of the Company;
(iii) He has ensured that there is effective check and balance in proceedings of the Board and Board Committees and have actively participated in Board's deliberations, provided objective and independent opinion to the Board; and
(iv) He has devoted sufficient time and attention to his responsibilities as Independent Non-Executive Director of the Company and exercise due care in the interest of the Company and shareholders.

The Board endorsed the NC's recommendation and recommended that Tan Sri Dato' Seri Megat Najmuddin be retained as Independent Non-Executive Director of the Company subject to the shareholders' approval through a two-tier voting process as described in the Guidance to Practice 4.2 of the Malaysian Code on Corporate Governance.

STATEMENT ACCOMPANYING **NOTICE OF ANNUAL GENERAL MEETING**

There is no person standing for election as Director of the Company at this Annual General Meeting.

ADMINISTRATIVE GUIDE
OF 103RD ANNUAL GENERAL MEETING (AGM)

Date and Time	:	Wednesday, 29 September 2021 at 2.00 p.m.
Broadcast Venue	:	Tricor Business Centre, Manuka 2 & 3 Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia

1. CONDUCT OF MEETING

The 103rd AGM will be conducted as a fully virtual AGM through live streaming and online remote voting via Remote Participation and Voting ("**RPV**") facilities which are available on Tricor Investor & Issuing House Services Sdn Bhd's ("**Tricor**") TIIH Online website at http://tiih.online.

The venue of the 103rd AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the Meeting to be at the main venue of the meeting. **No Members/proxies are from the public are allowed to physically present at the meeting venue**.

Due to the constant evolving Covid-19 situation in Malaysia, we may be required to change the arrangements of our 103rd AGM at short notice. Kindly check the Company's website or announcements for the latest updates on the status of the 103rd AGM.

2. ENTITLEMENT TO PARTICIPATE AND VOTE

In respect of deposited securities, only Members whose names appear in the Record of Depositors on 21 September 2021 (General Meeting Record of Depositors) shall be entitled to participate and vote at the 103rd AGM.

3. MODE OF COMMUNICATION

Members may submit questions to the Board of Directors prior to the 103rd AGM through online platform provided by Tricor via its TIIH Online website at https://tiih.online by selecting "e-services" to login, pose questions and submit electronically no later than 2.00 p.m. on Monday, 27 September 2021, or may use the query box to transmit questions to the Board of Directors via RPV facilities during live streaming of the 103rd AGM.

4. NO E-VOUCHERS/DOOR GIFT

There will be **NO** distribution of e-vouchers/door gift to Members/Proxies who participate in the 103rd AGM.

ADMINISTRATIVE GUIDE

5. PROCEDURES FOR RPV

Please read and follow the procedures and actions reflected below to engage in remote participation through live streaming and online remote voting at the 103rd AGM using the RPV facilities:

Before the 103rd AGM

Procedures	Actions
(a) Register as a user with TIIH Online	• Access the TIIH Online website at https://tiih.online. Register as a user under the "**e-Services**", select the "**Sign Up**" button followed by "**Create Account by Individual Holder**". Please refer to the tutorial guide posted on the homepage for assistance. • Registration as a user will be approved within one (1) working day and you will be notified via email. • If you are already a user with TIIH Online, you are not required to register again. You will receive an email to notify you that the remote participation is available for registration at TIIH Online.
(b) Submit your RPV registration	• Registration is open from Monday, 30 August 2021 until such time before the voting session ends at the 103rd AGM on Wednesday, 29 September 2021. Shareholder(s) or proxy(ies) or corporate representative(s) or attorney(s) are required to pre-register their attendance for the 103rd AGM to ascertain their eligibility to participate at the AGM using the RPV. • Login with your user ID (i.e. email address) and password and select the corporate event: "**(REGISTRATION") ASIAN PAC HOLDINGS BERHAD 103RD AGM**". • Read and agree to the Terms & Conditions and confirm the Declaration. • Select "**Register for Remote Participation and Voting**". • Review your registration and proceed to register. • System will send an email to notify that your registration for remote participation is received and will be verified. • After verification of your registration against the General Meeting Record of Depositors as at 21 September 2021, the system will send you an email on or after 27 September 2021 to inform whether your registration for remote participation has been approved or rejected. *(Note: Please allow sufficient time for the approval of new user of TIIH Online and registration for RPV.)*

ADMINISTRATIVE GUIDE

5. PROCEDURES FOR RPV (CONT'D)

On the day of 103rd AGM

Procedures	Actions
(a) Login to TIIH Online	• Login with your user ID (i.e. email address) and password for remote participation at the 103rd AGM at any time from 1.00 p.m. i.e. 60 minutes before the commencement of the 103rd AGM at 2.00 p.m. on Wednesday, 29 September 2021.
(b) Participate through Live Streaming	• Select the corporate event: **(LIVE STREAM MEETING) ASIAN PAC HOLDINGS BERHAD 103RD AGM** to engage in the proceedings of the 103rd AGM remotely. • If you have any question for the Chairman/Board, you may use the query box to transmit your question. The Chairman/Board will endeavor to respond to questions submitted by remote participations during the 103rd AGM.
(c) Online Remote Voting	• Voting session commences from 2.00 p.m. on Wednesday, 29 September 2021 until a time when the Chairman announces the completion of the voting session of the 103rd AGM. • Select the corporate event: "**(REMOTE VOTING) ASIAN PAC HOLDINGS BERHAD 103RD AGM**" or if you are on the live stream meeting page, you can select "**GO TO REMOTE VOTNG PAGE**" button below the Query Box. • Read and agree to the Terms & Conditions and confirm the Declaration. • Select the CDS account that represents your shareholdings. • Indicate your votes for the resolutions that are tabled for voting. • Confirm and submit your votes.
(d) End of remote participation	• Upon the announcement by the Chairman of the conclusion of the 103rd AGM, the Live Streaming will end.

Notes to users of the RPV facilities:

(a) Should your registration for RPV be approved, we will make available to you the right to join the live streamed meeting and to vote remotely. Your login to TIIH Online on the day of meeting will indicate your presence at the virtual meeting.

(b) The quality of your connection to the live broadcast is dependent on the bandwidth and stability of the internet at your location and the device that you use.

(c) In the event you encounter any issue with logging-in, connection to the live streamed meeting or online voting on the meeting day, kindly call Tricor Help Line at 011-40805616 /011-40803168 /011-40803169 /011-40803170 for assistance or email to tiih.online@my.tricorglobal.com for assistance.

ADMINISTRATIVE GUIDE

6. APPOINTMENT OF PROXY

- Since the 103rd AGM will be conducted as a fully virtual meeting, a Member entitled to participate and vote at the meeting may appoint the Chairman of the meeting as his / her proxy and indicate the voting instruction in the form of proxy.

- The appointment of a proxy/corporate representative/attorney for the 103rd AGM whether in hard copy or by electronic means shall be deposited or submitted in the following manner not less than 48 hours before the time set for the 103rd AGM or not later than Monday, 27 September 2021 at 2.00 p.m.:

(a) In Hard Copy Form:

The form of proxy must be deposited at the office of the Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

(b) By Electronic Forms

(i) Via Fax & Email

By fax at 03-27839222 or email to is.enquiry@my.tricorglobal.com

(ii) Via Online

The proxy appointment can be made via Tricor's TIIH Online website at https://tiih.online.

The procedures and actions required are as follows:

Procedures	Actions
(i) Steps for Individual Shareholders	
Register as a User with TIIH Online	• Access the TIIH Online website at https://tiih.online. Register as a user under the "**e-services**", select the "**Sign Up**" button followed by "**Create Account by Individual Holder**". Please refer to the tutorial guide posted on the homepage for assistance. • If you are already a user with TIIH Online, you are not required to register again.
Proceed with Submission of Proxy Form	• After the release of the Notice of Meeting by the Company, login to TIIH Online website at https://tiih.online with your user name (i.e. email address) and password. • Select the corporate event: "**ASIAN PAC HOLDINGS BERHAD 103RD AGM – SUBMISSION OF PROXY FORM**". • Read and agree to the Terms & Conditions and confirm the Declaration.

ADMINISTRATIVE GUIDE

6. APPOINTMENT OF PROXY (CONT'D)

Procedures	Actions
(i) Steps for Individual Shareholders (cont'd)	
Proceed with Submission of Proxy Form (cont'd)	• Insert your CDS account number and indicate the number of shares for your proxy(ies) to vote on your behalf. • Appoint your proxy(ies) and insert the required details of your proxy(ies) or appoint the Chairman as your proxy. • Indicate your voting instructions – FOR or AGAINST, otherwise your proxy(ies) will decide your votes. • Review and confirm your proxy(ies) appointment. • Print proxy form for your record.
(ii) Steps for Corporate or Institutional Shareholders	
Register as a User with TIIH Online	• Access the TIIH Online website at https://tiih.online. Register as a user under the "**e-Services**", select the "**Sign Up**" button followed by "**Create Account by Corporate Holder**". Please refer to the tutorial guide posted on the homepage for assistance. • Complete the registration form and uploaded the required documents. • Registration will be verified, and you will be notified by email within one (1) to two (2) working days. • Proceed to activate your account with the temporary password given in the email and reset your own password. *(Note: The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact our Share Registrar, Tricor if you need clarifications on the user registration.)*

6. APPOINTMENT OF PROXY (CONT'D)

Procedures	Actions
(ii) Steps for Corporate or Institutional Shareholders (cont'd)	
Proceed with Submission of Proxy Form	• After the release of the Notice of Meeting by the Company, login to TIIH Online website at https://tiih.online with your user name (i.e. email address) and password. • Select the corporate event: **ASIAN PAC HOLDINGS BERHAD 103RD AGM – SUBMISSION OF PROXY FORM**". • Read and agree to the Terms & Conditions and confirm the Declaration. • Proceed to download the file format for "**Submission of Proxy Form**" in accordance with the Guidance Note set therein. • Prepare the file for the appointment of proxies by inserting the required data. • Login to TIIH Online, select corporate event name: "**ASIAN PAC HOLDINGS BERHAD 103RD AGM – SUBMISSION OF PROXY FORM**". • Proceed to upload the duly completed proxy appointment file. • Select "**Submit**" to complete your submission. • Print the confirmation report of your submission for your record.

7. POLL VOTING

- The voting at the 103rd AGM will be conducted by poll in accordance with Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed Tricor as Poll Administrator to conduct the poll by way of electronic voting and Scrutineer Solutions Sdn Bhd as Scrutineers to verify the poll results.

- Shareholders can proceed to vote remotely on the resolutions at any time from the commencement of the 103rd AGM at 2.00 p.m. but before the end of the voting session which will be announced by the Chairman of the Meeting. Kindly refer to the "**Procedures for RPV**" above for guidance on how to vote remotely via TIIH Online website at https://tiih.online.

- Upon completion of the voting session for the 103rd AGM, the Scrutineers will verify and announce the poll results followed by the Chairman's declaration whether the resolutions are duly passed.

ADMINISTRATIVE GUIDE

8. ANNUAL REPORT 2021

- The Company's Annual Report 2021 is available on the Company's website at https://www.asianpac.com.my/Annual-Reports/.

- You may request for a printed copy of the Annual Report 2021 at aphb.ar@asianpac.com.my. However, we hope you would consider the environmental and sustainability concerns, and refrain from requesting for the printed copy of the Annual Report 2021.

9. ENQUIRY

If you have any enquiries, please contact the following persons on Mondays to Fridays from 9.00 a.m. to 5.30 p.m. (except on public holidays):

Tricor Investor & Issuing House Services Sdn Bhd

General Line	:	+603-2783 9299
Fax Number	:	+603-2783 9222
Email	:	is.enquiry@my.tricorglobal.com

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PROXY FORM

103RD ANNUAL GENERAL MEETING

Number of shares held	
CDS Account No.	

ASIAN PAC HOLDINGS BERHAD
[Company No. 191301000011 (129-T)]
(Incorporated in Malaysia)
Registered Office:
12th Floor, Menara SMI,
No. 6, Lorong P. Ramlee, 50250 Kuala Lumpur
Tel : 03-2786 3388
Fax: 03-2786 3386

I/We *(Full Name)* ______________________________ (NRIC No./ Co. No. ______________)

Contact No. ______________ of ______________________________

being a member/members of **ASIAN PAC HOLDINGS BERHAD** [Company No. 191301000011 (129-T)] do hereby appoint:

Full Name (in Block)	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			
Mobile Phone No. :	**Email Address :**		

and

Full Name (in Block)	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			
Mobile Phone No. :	**Email Address :**		

failing him, THE CHAIRMAN OF THE MEETING as my/our proxy to vote for me/us on my/our behalf at the 103rd Annual General Meeting ("AGM") of the Company to be conducted fully virtual at the Broadcast Venue at Tricor Business Centre, Manuka 2 & 3 Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur on Wednesday, 29 September 2021 at 2.00 p.m. and at any adjournment thereof.

Please indicate with an "X" in the space below how you wish your votes to be cast. If no specific direction as to voting is given, the proxy/ proxies will vote or abstain from voting on the resolutions at his/their discretion.

No.	RESOLUTIONS	FOR	AGAINST
1	To re-elect Mr. Sherman Lam Yuen Suen		
2	To re-elect Ms. Soon Dee Hwee		
3	To approve the payment of Directors' Fees for financial year ending 31 March 2022		
4	To approve the payment of meeting allowances from 30 September 2021 until the next AGM		
5	To approve the payment of additional meeting allowances		
6	To re-appoint Messrs. Ernst & Young PLT as Auditors		
7	To authorize Directors to issue shares pursuant to S75 and 76 of the Companies Act 2016		
8	To retain Tan Sri Dato' Seri Hj Megat Najmuddin as Independent Non-Executive Director		

Signed this __________ day of ______________________ 2021

____
Signature of Member

Notes:

1. **Broadcast Venue**
   The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the Meeting to be at the main venue of the meeting. **No members/proxies** are allowed to attend the 103rd AGM in person at the Broadcast Venue on the day of 103rd AGM.

2. **Members Entitled To Attend**
   In respect of deposited securities, only members whose names appear in the Record of Depositors on 21 September 2021 (General Meeting Record of Depositors) shall be entitled to participate and vote at the 103rd AGM.

3. **Appointment of Proxy**
   (a) A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies (but not more than two [2] proxies) to attend and vote in his stead. A proxy may or need not be a member of the Company.
   (b) Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
   (c) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("**SICDA**"), it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
   (d) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
   (e) An instrument appointing a proxy, in the case of an individual, shall be signed by the appointor or by his/her attorney and in the case of a corporation shall be either given under its common seal or signed on its behalf by an attorney or officer of the corporation so authorised.
   (f) An instrument appointing a proxy must be deposited at the office of Share Registrar, Tricor Investor and Issuing House Services Sdn Bhd of Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur either (i) by hand/post; or (ii) by facsimile at Share Registrar's fax no. 03-2783 9222 or (iii) via email to is.enquiry@my.tricorglobal.com not less than forty eight (48) hours before the time appointed for holding the meeting or any adjournment thereof. You will receive an email to notify you that the remote participation is available for registration via Online website at https://tiih.online.

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AFFIX
STAMP

The Share Registrar
ASIAN PAC HOLDINGS BERHAD
[Company No. 191301000011 (129-T)]

c/o Tricor Investor and Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South, No. 8, Jalan Kerinchi
59200 Kuala Lumpur

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ASIAN PAC HOLDINGS BERHAD Company No. 191301000011 (129-T)
12th Floor, Menara SMI, No. 6, Lorong P. Ramlee, 50250 Kuala Lumpur, Malaysia
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