ANNUAL REPORT 2021

...IN TRUSTED HANDS

VISION

TO BE A PROGRESSIVE AND GLOBALLY-FOCUSED CORPORATION WHICH PRIDES ITSELF ON PROVEN TRACK RECORD IN PERFORMANCE, RELIABILITY, EXCELLENCE IN QUALITY AND CREATIVITY IN ALL PRODUCTS AND SERVICES OFFERED.

ABOUT IREKA

Founded in 1967, Ireka Corporation Berhad has rapidly evolved into a progressive and integrated entity. Ireka's success story lies in its different business portfolios which co-exist to form a corporation that is synergised with complementary capabilities and multi-industry expertise.

This provides a solid foundation for the Group to deliver fresh perspectives and innovative solutions, as well as creating value for all its stakeholders.

Today, Ireka Group is actively involved in four core businesses: Construction, Real Estate, Technologies and Urban Transportation.

CONTENTS

45th ANNUAL GENERAL MEETING

DATE:
Tuesday, 28 September 2021

TIME:
10.00 a.m.

FULLY VIRTUAL meeting through live streaming and online remote voting via Remote Participation and Voting facilities which are available on online meeting platform at https://meeting.boardroomlimited.my provided by Boardroom Share Registrars Sdn Bhd.

The online version of Ireka Corporation Berhad Annual Report 2021 is available on our website. Go to https://ireka.com.my/ or scan the QR code with your smartphone.

ANNUAL REPORT

The cover of this year's report carries a message of "care for nature and the environment".

The cycle of nature and its preservation of people and planet is important to Ireka as we continue to build.

The dragonfly signifies the delicate beauty of nature, that is nurtured by a sustained environment. This resonates with the company's awareness towards good governance of the environment as it provides development for the future.

ONLINE VERSION

Please scan the QR code to read our Annual Report 2021.

CORPORATE INFORMATION

BOARD OF DIRECTORS

TAN SRI DATO' MOHD ISMAIL BIN CHE RUS
Non-independent Non-executive Chairman

MOHD HASNUL ISMAR BIN MOHD ISMAIL
Group Managing Director

LAI VOON HUEY, MONICA
Group Deputy Managing Director

CHOW SUNG CHEK SIMON
Executive Director

CHAN CHEE KIAN
Executive Director

TAN THIAM CHAI
Executive Director

DATO' AZMI BIN ABDULLAH
Senior Independent Non-executive Director

HOE KAH SOON
Independent Non-executive Director

SHAHRULADERI BIN MOHAMAD ADNAN
Independent Non-executive Director

AUDIT COMMITTEE

Hoe Kah Soon (Chairman)
Dato' Azmi bin Abdullah
Shahruladeri bin Mohamad Adnan

NOMINATION & REMUNERATION COMMITTEE

Dato' Azmi bin Abdullah (Chairman)
Hoe Kah Soon
Shahruladeri bin Mohamad Adnan

COMPANY SECRETARY

Wong Yim Cheng
(MAICSA 7008092)
(SSM PC No.: 202008002578)

COUNTRY OF DOMICILE & INCORPORATION

Malaysia

REGISTERED OFFICE/ PRINCIPAL PLACE OF BUSINESS

Level 18, Wisma Mont' Kiara
No. 1, Jalan Kiara, Mont' Kiara
50480 Kuala Lumpur
Tel : +603 - 6411 6388
Fax : +603 - 6411 6383
Email : enquiry@ireka.com.my
Website : www.ireka.com.my

SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Tel : +603 - 7890 4700
Fax : +603 - 7890 4670

STOCK EXCHANGE LISTING

Main Market
Bursa Malaysia Securities Berhad
Stock Name : IREKA
Stock Code : 8834

AUDITORS

Crowe Malaysia PLT
Chartered Accountants
Level 16, Tower C, Megan Avenue II
12, Jalan Yap Kwan Seng
50450 Kuala Lumpur

PRINCIPAL BANKERS

AmBank (M) Berhad
CIMB Bank Berhad
Hong Leong Bank Berhad
Malayan Banking Berhad
OCBC Bank (Malaysia) Berhad
RHB Bank Berhad
Sabah Development Bank Berhad
United Overseas Bank (M) Berhad

CHAIRMAN'S STATEMENT

I AM DELIGHTED TO PRESENT MY FIRST ANNUAL REPORT STATEMENT FOR IREKA CORPORATION BERHAD. IT IS CERTAINLY UNPRECEDENTED TIMES THAT THE COMPANY AND THE NATION IS NAVIGATING THROUGH AT THE MOMENT AND THE ROLE OF THE BOARD HAS NEVER BEEN MORE CRUCIAL THAN THE PRESENT TIME.

Over the past couple of months, there has been changes to the substantial shareholding of the Company, and a restructuring at the Board level, which I strongly believe is a positive development for the Company and the future of Ireka.

BOARD CHANGES

The notable changes during the past year was the departure of Datuk Lai Siew Wah, Datuk Lai Foot Kong, Datuk Lai Voon Hon and Mr. Lau Mun Cheong, having stepped down from the Ireka board after many years of service. I take this opportunity to thank them all for their years of exemplary leadership, especially Datuk Lai Siew Wah and Datuk Lai Foot Kong, pioneering individuals who gave 54 years of tireless service to Ireka. They have left a legacy we can be proud of Ms. Monica Lai and Mr. Chan Chee Kian will remain as board members, serving as Deputy Managing Director and Executive Director respectively.

I would like to welcome Encik Mohd Hasnul Ismar Bin Mohd Ismail, Mr. Simon Chow Sung Chek and Encik Shahruladeri Bin Mohamad Adnan who were appointed to the Board on July 5th, 2021. Encik Hasnul is also the new Group Managing Director for Ireka. Together, the new members to the Board and management bring with them extensive experience in the field of finance and corporate leadership. I look forward to working with them to lead Ireka on the next phase of its journey to deliver on our vision, "To Be a Progressive and Globally-Focused Corporation Which Prides Itself on Proven track Record in Performance Reliability, Excellence in Quality and Creativity in All Products and Services Offered."

COVID-19

What a challenging and tumultuous year it has been. 2020 was dominated by the Covid-19 pandemic which touched every corner of the world, and to a large extent we are still experiencing it. Inevitably, this had an impact on our business too. We were required to close our sites or work at a reduced capacity and below normal productivity for most of the last 18 months since the pandemic began to take effect in Malaysia; and to adhere to the Government's recurring Movement Control Orders (MCOs), restricting travel and normal life. Of course, this resulted in project delays with significant impact on our financial performance in the year to FY2021. The Management Discussion and Analysis set out on pages 5 to 9 will cover this in detail.

CHAIRMAN'S STATEMENT

The safety and well-being of our staff, buyers and visitors remains our main priority. The Group adhered strictly to the Covid-19 Standard Operating Procedures throughout and I want to thank all our staff (on site and in the offices) for their resourcefulness and dedication during these exceptional times.

A CHALLENGING YEAR

The main casualty of the last year was our construction business which was badly hit, not just with the closure of project sites and disruption to work, but it also faced difficulties replenishing its construction order book to support Ireka's existing operating cost with the lack of sizeable projects during this pandemic. Our Group revenue increased 13.4% from RM157.1 million to RM178.0 million, mainly attributable to higher property sales from our property development arm. However, on the construction front, our Group's construction order book stood at RM495.5 million with current outstanding works standing at RM376.7 million as at 15 July 2021.

Throughout this period, the management team and Board worked unceasingly to ensure that Ireka was able to continue to operate as efficiently as possible under the circumstances, took decisive action to turn the business around, including accelerating cost saving programmes throughout the organisation. The Board wishes to thank them for their exceptional commitment demonstrated. The property division, under difficult circumstances managed to sell properties in our KaMi Mont' Kiara development which is now fully sold and also in our DWI@Rimbun Kasia development, although there is still some way to go with sales here. Our technology division, i-Tech Network Solutions Sdn Bhd, had a more profitable year, meeting its sales targets. This is primarily due to the realisation of business direction implemented in 2019, focusing on the Cloud and managed services, thus meeting market demands.

Our urban transportation business, Mobilus Sdn Bhd signed a Memorandum of Agreement with the Malaysia Institute of Transport (MITRANS) to undertake a study of the Automated Rapid Transit System (ART) to evaluate its suitability for Malaysian roads. Mobilus welcomed the arrival of the ART into Johor in January, the site for pilot testing programme and it was officially launched in April this year. More detailed information on all Ireka's core businesses can be found in the Management Discussion & Analysis statement.

To this end, I would like to extend my sincere thanks to all staff for their hard work, sacrifices and dedication shown this past year.

TRANSFORMATION AND TURNAROUND – WHAT IS NEXT?

Important steps were taken to turn Ireka around and the opportunity of having new shareholders in the Company will have a positive and timely impact, steering us on track for a better future. We will have a much better chance of securing new projects with the combined expertise, client networks and financial strength of our new shareholders going forward. Encik Hasnul and the senior management have made strengthening Ireka's foundation and bringing new projects into the group their priority; whilst at the same time transforming the Group to be ready for the future. The experienced team will also help to deliver the turnaround that is necessary to address the requirement of shareholders, employees, stakeholders as well as the communities in which we operate and leave our legacy. The other priority is to spend time on reviewing Ireka's human capital and people management because they are fundamental to our business.

On July 5th, 2021, Ireka received an offer from Ideal Land Holdings Sdn Bhd (a company owned by the Lai family) to purchase all of Ireka Corporation Berhad's equity in Ireka's subsidiaries and associate companies involved in the non-construction businesses such as property development, property management, urban transportation and information technology. The Board will study this offer in detail with the appointed independent advisors; and will seek the shareholders' and the relevant authorities' approval.

LOOKING AHEAD

Looking ahead, the Board and management will work closely to strengthen the financial position of the Company. The Group has concrete strategies in place and the review of construction work will put the business on a secure footing, enabling it to deliver the margins we are targeting. I would like to extend sincere thanks to my fellow members of the Board, our management, our staff, our esteemed bankers and stakeholders for their continued support as we chart our course through these most unusual of times against the Covid-19 backdrop. Notwithstanding this, I am confident we are positioned well for success in the years ahead.

TAN SRI DATO' MOHD ISMAIL BIN CHE RUS
Non-independent Non-executive Chairman

25 August 2021

MANAGEMENT DISCUSSION & ANALYSIS

THIS IS MY INAUGURAL STATEMENT TO SHAREHOLDERS AS THE GROUP MANAGING DIRECTOR OF IREKA CORPORATION BERHAD ("IREKA" OR "THE GROUP"). I AM DEEPLY HONOURED TO LEAD THE GROUP DURING THIS TIME AND LOOK FORWARD TO WORKING WITH THE BOARD OF DIRECTORS TO STEER IREKA TOWARDS NEW HEIGHTS.

GROUP PERFORMANCE REVIEW

The outbreak of the COVID-19 pandemic has brought upon unprecedented crisis and uncertainties to markets worldwide. Despite the pandemic challenges, Ireka Corporation Berhad ("Ireka" or "the Group") registered a total revenue of RM178.0 million in FY2021, an increase of 13.4% compared to FY2020. The improved performance in FY2021 was mainly attributable to higher property sales achieved by the Group's Property Development Division, contributing to approximately 56.5% of total revenue. The Construction Division accounted for approximately 40.9% of the Group's total revenue during the year.

The Group's pre-tax losses narrowed to RM26.1 million in FY2021, compared to pre-tax losses of RM54.4 million in FY2020 (restated), mainly due to lower share of loss of associates of RM9.6 million in FY2021, compared to RM32.2 million in FY2020.

Ireka holds 23.0% of Aseana Properties limited ("Aseana") which is listed on the London Stock Exchange. The four operating assets of Aseana, namely The RuMa Hotel, Four Points by Sheraton Sandakan Hotel, Harbour mall Sandakan and City International Hospital Ho Chi Minh City, Vietnam, have not been spared by the COVID-19 containment measures in both Malaysia and Vietnam. For instance, Four Points by Sheraton Hotel in Sandakan permanently closed its door with effect from 31 May 2020 as tourism and hospitality were two of the worst-hit sectors in Malaysia. The Management Agreement with Marriott International for Four Points was mutually terminated following the closure of the hotel. The RuMa Hotel on the other hand, was temporarily closed for business in March 2020 given the travel restriction imposed on foreign travellers into Malaysia. The Hotel re-opened on 4 October 2020 when the restrictions were briefly relaxed. However, the Hotel was closed again between 13 January and 4 March 2021, and again from 1 June 2021 to the date of this report due to the re-imposition of Movement Control Order ("MCO") owing to steep rise of COVID-19 cases in the country.

The Group's total assets decreased by RM15.4 million to RM488.9 million in FY2021, which is 3.1% lower than in the previous financial year. Total liabilities of the Group decreased by 1.9% to RM398.3 million in FY2021 compared to RM405.8 million in FY2020, translating to lower net assets per share of RM0.49 (FY2020: RM0.53 (restated).

The Company's shareholders' equity on a consolidated basis, reduced from RM79.3 million in FY2020 (restated) to RM59.6 million in FY2021, due to losses recorded during the year. This is less than 50% of its share capital of the Company. However, the Company will not be classified as PN17 and will not be required to comply with the related obligations, in line with the PN17 relief measures implemented by Bursa from 17 April 2020 to 30 June 2021.

MANAGEMENT DISCUSSION & ANALYSIS

In order to address the situation, the management of the Company is in the midst of undertaking various strategic corporate exercises to improve the financial position of the Company, as well as repositioning it within the industry. To this effect, the Board has on 19 August 2021 approved the fund-raising exercise which comprises: -

(i) An on-going private placement (1) exercise;

(ii) Private placement (2) which is subjected to shareholder approval at an Annual General Meeting scheduled in end September 2021 for the 20% General mandate; and

(iii) Redeemable Convertible Preference Shares (“ RCPS”) up to RM100.0 million, which is subjected to further deliberation of the terms and conditions at ICB and shareholder approval at forthcoming Extraordinary General Meeting (“EGM”).

The Board, on 19 August 2021, has also approved the proposed unincorporated Joint-Venture exercise with a mid-size property development and construction company, which has a sizable development and construction order book within the affordable homes segment of the industry. This marks the Company’s first foray into the “low-hanging fruits” and mass-volume segment of the construction industry, which is well supported by the Government of Malaysia.

In addition to the fund-raising exercise and a change in business model, the Company is also in discussions to dispose of its equity stakes in its non-construction business subsidiaries and associates in order to raise capital and streamline its business operations. This will enable the Company to focus its efforts in strengthening its financial health and rebuilding its industry’s position, while ensuring a successful completion of its on-going transformation exercise.

Although the COVID-19 pandemic has impacted the Group’s performance, it is hoped that with the recent acceleration of vaccination rate under the COVID-19 National Immunisation Programme, Malaysia is on track to achieving ‘herd-immunity” by the end of 2021 with the target of having 80 per cent of the population fully vaccinated. Malaysia’s economy and business activities are expected to normalise in the early part of year 2022. With this positive development, the Group will continue to develop its core businesses on a more cautiously optimistic approach as the macro and micro business environments will no doubt remain challenging as the economy picks itself up.

INFRASTRUCTURE DIVISION PERFORMANCE REVIEW

The COVID-19 pandemic impacted the world’s economies adversely, including ours. On the domestic front, Malaysia’s Gross Domestic Product (“GDP”) contracted 5.6% in 2020, registering its lowest decline since the financial crisis in 1998. The Malaysian construction sectors registered a negative growth of 19.4% compared to a slight growth of 0.6% in 2019. The value of completed construction work contracted to RM117.9 billion in 2020, compared to RM146.4 billion registered in the previous year. All sub-sectors recorded a decline in the value of construction work done, where the Civil engineering sub-sector decreased 24.0%, Residential buildings sub-sector (-17.2%), Non-residential buildings sub-sector (-17.1%), and Special trades activities sub-sector such as solar plants and petrochemical plants (-2.1%).

Amid the volatile and uncertain economic conditions, the revenue from the Group’s construction arm, Ireka Engineering & Construction Sdn. Bhd. (“IECSB”) improved marginally by 6.9% from RM68.1 million last year to RM72.8 million, mainly due to the suspension of construction activities for an extended period throughout 2020 and for much of 2021. Construction works were allowed to resume with stringent Standard Operating Procedures (“SOP”) and heightened safety and health measures including the testing of workers for COVID-19 which is time-consuming and costly. As a result, slow construction progress led to slow progress billings and low revenue recognition. Nonetheless, IECSB successfully completed Phase 1 of Asta Enterprise Park in October 2020 followed by the completion of an eight-storey hospital block and refurbishment of an hospital building for Pantai Hospital Ayer Keroh in March 2021. The existing projects such as Regency Specialist Hospital in Johor Bahru, Asta Enterprise Park (Phase 2), KaMi Mont’ Kiara, DWI @ Rimbun Kasia and Pantai Hospital Ayer Keroh are in its various stages of completion.

On 15 July 2021, IECSB successfully secured a new construction project in Terengganu worth RM124.4 million. The 48-month or 208-week contract was awarded by Wanland Metro Sdn Bhd and work will commence as soon as the current restrictions are lifted. Terengganu is currently under Phase 2 of Pelan Pemulihan Negara (“PPN”). The construction works includes construction

Regency Specialist Hospital, Johor Bahru

MANAGEMENT DISCUSSION & ANALYSIS

and completion of two 16-storey apartment blocks, single-storey terrace houses, double-storey shophouses, a food court, kindergarten, surau, multipurpose hall, and all infrastructure and ancillary works for the development in Dendung, Besut district.

The Group's total construction order book, including the newly secured project in Terengganu, stood at RM495.5 million as at 15 July 2021, of which RM118.8 million has been completed, leaving outstanding work worth RM376.7 million. The Group is anticipating the commencement of five planned internal projects over the next five financial years, with a total construction value of RM524.4 million.

Moving forward into 2021, market outlook is looking relatively positive with vaccine rollout underway, the Group will focus on improving efficiency in project implementation and prudent cashflow management within the still challenging operating environment. The division is actively seeking opportunities to grow and is also looking to strengthen its order book, focusing on commercial and Government healthcare and hospital projects, civil engineering works from various Government infrastructure projects, and affordable housing.

REAL ESTATE DIVISION PERFORMANCE REVIEW

The Malaysian property market which has remained subdued in last couple of years, was further impacted by the unfavourable conditions of COVID-19 and the implementation of nationwide movement restrictions orders. Since the imposition of first MCO in March 2020, the market sentiment has turned cautious and dampened demand for property as buyers adopted a "wait and see" approach in their purchase and investment decision.

In 2020, the volume of property transactions decreased 9.9% to 295,968 units (2019: 328,647 units,) while the value of property transactions decreased by 15.8% to RM119.08 billion (2019: RM141.40 billion) according to the National Property Information Centre ("NAPIC"). However, the residential property overhang improved from 30,664 units with a value of RM18.82 billion in 2019 to 29,565 units with a value of RM18.92 billion in 2020.

In its effort to stimulate the soft property market, the Government has introduced measures to spur on property demand such as the reintroduction of the Home Ownership Campaign (HCO) in June 2020, exemption of real property gains tax on disposal of residential property, introduction of the Rent-to-Own scheme and removal of 70% financing margin limit for property purchase. The current low-interest environment following the reduction of the Overnight Policy Rate ("OPR") to a record low of 1.75% by Bank negara Malaysia ("BNM") has also contributed positively to the recovery of the property market. As economic activities slowly resumed with the easing of restrictions, the property market experienced a short burst of recovery before the resurgence of COVID-19 infections in quarter three of 2020. Tighter movement control and social and economic restrictions were reimposed to contain the escalation of COVID-19 cases particularly in the Klang Valley from mid-October 2020.

KaMi Mont' Kiara

Notwithstanding the instability and impact of the pandemic coupled with market challenges faced by the property market, Ireka's Real Estate Division recorded revenue of RM100.6 million in 2021, representing a 21.7% increase as compared to RM82.7 million recorded in 2020. The development projects which contributed mainly to the revenue include KaMi Mont' Kiara and Asta Enterprise Park, accounting for 52.3% and 38.7% to the total real estate revenue respectively. It is worth noting that both KaMi Mont' Kiara and Phase 2 of ASTA Enterprise Park are fully sold despite the weak market sentiment. On the other hand, the sales of the DWI @ Rimbun Kasia project, was not spared from the prevailing pandemic situation and registered weaker sales for the year under review.

The on-going development projects for the Group includes: -

- KaMi Mont' Kiara, a low-density development located in Mont' Kiara comprises 168 units of serviced condominium with a total estimated Gross Development Value ("GDV") of RM217.8 million.
- Asta Enterprise Park, a 31.5-acre freehold industrial development located at Bukit Angkat, Kajang, has an estimated GDV of RM277.3 million. The project consists of industrial lots, semi-detached and detached light industrial factories in a guarded development. Phase 1 of the development featuring 18 units of semi-detached factories is fully sold with vacant possession successfully delivered to the buyers in October 2020. Meanwhile, piling works for ASTA Phase 2 is in progress and slated for completion in 2023.

MANAGEMENT DISCUSSION & ANALYSIS

DWI @ Rimbun Kasia

- The Rimbun Kasia project is an integrated development with green-living concept located in the town of Nilai, covering five phases of residential projects and one commercial project phase on a 30.56-acre piece of land. Ireka and Hankyu Hanshin Properties Corporation ("Hankyu Hanshin"), are jointly developing the first two phases of Rimbun Kasia's residential projects with an estimated GDV of RM400.0 million. DWI @ Rimbun Kasia, being the first phase of residential project, comprises 382 units of medium-rise courtyard apartments with built-up sizes of between 650 square feet to 980 square feet, designed with a dual-key feature and is spread over two 9-storey East and West Wing blocks. Meanwhile, another parcel of residential land, Temu@Rimbun Kasia, featuring 234 residential units of Town Villas and Garden Homes, with an estimated GDV of RM131.5 million is currently at its development planning stage.

The construction progress of the Group's on-going developments have been severely impacted by the suspension of construction activities and stop-work orders at the sites during the various MCO phases. These has resulted in construction progress behind schedule and subsequently led to late delivery of vacant possession of completed units for KaMi Mont Kiara and DWI @ Rimbun Kasia. Nonetheless, the Group has successfully procured approvals for an extension of time of up to 167-days above the statutory delivery period of 36 months, for units sold before 18 March 2020 under Malaysia's Temporary Measures for Reducing the Impact of Coronavirus Disease 2019 (COVID-19) Act 2020. With the extension of time approval, KaMi Mont Kiara is expected to be handed over to buyers in 1st quarter of 2022 while DWI @ Rimbun Kasia is slated for completion in second quarter of 2022.

In the forthcoming years, the Group will focus on the launching of Temu @ Rimbun Kasia, the low-density residential project in the first half of 2022; followed by development planning for Serika Residences, a development consisting of a 37-storey residential tower block comprising 625 units of serviced apartments with an estimated GDV of RM250.0 million. Serika Residences will be developed under the Group's "zenZ" brand, a concept development for the growing mid-market segment located in the thriving area of Kajang. The project is at its development planning stage, to be launched in the second half of 2022.

With the Government's plans to achieve 80% herd immunity by the end of 2021 through its vaccination programme, the Group expects the property market to gradually show sign of improvement by end 2021 or early 2022. Hence, it will continue to focus on the completion of its property development projects and cautiously plan any future property launches. Concurrently, with the MCO restrictions still in place, the Group will place more emphasis on its marketing strategies which involve exploiting social media marketing tools and participating in various digital or virtual events and roadshows to increase the visibility and awareness of its projects, hence generating new leads and boosting sales.

TECHNOLOGIES DIVISION PERFORMANCE REVIEW

The Group's technologies arm, i-Tech Network Solutions Sdn Bhd ('i-Tech') had a commendable year in FY2021 amidst the ongoing COVID-19 Pandemic. The Company met its sales targets, at the same time improving its gross profits by 6.0% compared to the year before. This is primarily due to the strong belief and commitment in the change in business direction implemented in 2018, to move towards a recurring income business model focusing on the Cloud, data centre and managed services, thus meeting current market demands. To this end, i-Tech managed to improve its monthly recurring revenue.

While 2020 and the first quarter of 2021 continued to have its fair share of challenges worldwide, it was also a blessing in disguise for the technology industry. The ongoing pandemic accelerated the digital transformation of organisations across the country at an exponential rate. At the same time, for those companies that were either on the fence, or had not prioritised Cloud adoption, this pandemic presented us with a golden opportunity to convince them to migrate their workload and storage to the Cloud because it not only changes how businesses store and access data, but it also changes how many of these businesses operate.

People are the heart and soul of innovation. As always, i-Tech will continue to invest time and effort to attract top young talent from all over the country to drive our Company forward. At the same time, i-Tech will serve as fertile ground for the current staff to flourish. In line with the Company's corporate strategy and the varied demands of digital transformation, i-Tech will continue focusing on nurturing its own team through continuing education opportunities and webinars from technology partners.

MANAGEMENT DISCUSSION & ANALYSIS

On the other hand, i-Tech ELV Solutions Sdn Bhd's ('iTech ELV') sales revenue dropped by 30.6% in FY2021 compared to FY2020 as much of its business is with the construction sector, and we have earlier discussed the COVID-19 impact on this sector. However, construction will be a key area of the country's re-development initiative when the COVID-19 crisis improves, and i-Tech ELV expects all its projects to resume.

As the Cloud continues to serve as the fundamental enabler for digital transformation, i-Tech firmly believes that the growth and demand for Cloud services will remain strong post-pandemic. Companies will continue to benefit from the continuous investment made by public Cloud vendors such as AWS, Microsoft, Google and Alibaba, as well as local cloud providers, and this means that they will be able to evaluate more options that different providers offer and how they would support their unique business requirements in the long run. i-Tech is well positioned and ready to take advantage of this.

URBAN TRANSPORTATION PERFORMANCE REVIEW

On the urban transportation front, Mobilus Sdn Bhd ("Mobilus"), a joint venture company between Ireka and CRRC Urban Traffic Co. Ltd. ("CRRC UT") has been set up to pursue urban transportation business opportunities in Malaysia and Southeast Asia, in particular introducing the Automated Rapid Transit ("ART") system into Malaysia to transform the country's public transportation system. The ART system, featuring a hybrid between an electric bus and a trackless tram, is a multi-carriage, electric powered urban transport system equipped with sensors that can read the dimensions of a road and does not have to follow conventional rail tracks.

In January 2021, Mobilus made significant progress in the year under review when the ART system arrived in Malaysia. The arrival of the ART system is for the pilot project in Iskandar Malaysia under the Iskandar Malaysia Bus Rapid Transit ("IMBRT") organised by Iskandar Regional Development Authority ("IRDA") to showcase the ART system alongside other green technology vehicles in Malaysia.

Automated Rapid Transit ("ART")

On 8 April 2021, Mobilus successfully launched the ART system at the IMBRT pilot testing programme launch. The ART will be rigorously tested during the three-month pilot testing programme and evaluated by the Malaysia Institute of Transport ("MITRANS") of Universiti Teknologi MARA for roadworthiness in Malaysia. The system will be assessed particularly for its virtual-tracking capability, integration of passenger information systems at stations with real-time positioning of the ART vehicle.

Several other States in Malaysia have expressed their interest in incorporating ART into their respective transport masterplans as the system is lower in cost, cleaner and greener. The Sarawak Government is the first State in Malaysia to consider inclusion of the ART system in the State's 5-year Transformation Master Plan to transform Kuching City into a metropolis and smart city.

Moving forward, aside from the ART, Mobilus is also focusing on introducing electric buses solutions, hydrogen fuel-cell powered ART and green-energy logistics solutions to various stakeholders in Malaysia and Southeast Asia. For instance, Mobilus is in talks with potential property developer to pilot the smart mobility solution for new townships that incorporate autonomous bus with demand responsive applications.

RISK MANAGEMENT

Risk management forms an important part of the integral process of achieving the Group's business vision. Key risks for the Group and the Group's risk management approach is provided in more detail in the Statement of Risk Management and Internal Control on pages 46 to 48 of this Annual Report.

PROSPECT

As the year 2021 unfolds, Ireka remains cautiously optimistic that the local economy will improve gradually towards end of 2021. The Government's ongoing National COVID-19 Immunisation Programme has instilled confidence to the public that the pandemic will be contained in the very near future and this has given a boost to the local economy. Ireka will continue to remain committed and focused to perform resiliently in the current financial year against the prevailing market uncertainties.

MOHD HASNUL ISMAR BIN MOHD ISMAIL
Group Managing Director

25 August 2021

CORPORATE STRUCTURE

IREKA

- **100%** Ireka Development Management Sdn Bhd
- **100%** Ireka Sdn Bhd
  - **71.43%** Ireka Engineering & Construction Sdn Bhd
  - **100%** Regal Variety Sdn Bhd
  - **100%** Regalmont (Sabah) Sdn Bhd
  - **100%** Ireka Hospitality Sdn Bhd
- **28.57%** Ireka Engineering & Construction Sdn Bhd
- **100%** United Time Development Sdn Bhd
- **100%** Ireka Commercial Sdn Bhd
- **100%** i-Residence Sdn Bhd
- **100%** Ireka iCapital Sdn Bhd
  - **100%** i-Tech Network Solutions Sdn Bhd
  - **100%** iTech ELV Solutions Sdn Bhd
  - **100%** asiaegolf Tours Sdn Bhd
  - **96%** e-Auction Sdn Bhd
  - **100%** Ireka Venture Capital Limited
- **100%** Ireka Property Services Sdn Bhd
- **100%** Ireka Engineering and Construction Vietnam Company Limited
- **100%** i-Tech Network Solutions (Vietnam) Company Limited
- **55%** Meadowfield Sdn Bhd
- **51%** KaMi Management Services Sdn Bhd
- **51%** Mobilus Sdn Bhd *
- **23.07%** Aseana Properties Limited
  - **70%** (with **30%** held by Ireka)
    - Urban DNA Sdn Bhd
    - The RuMa Hotel KL Sdn Bhd

** Mobilus Sdn Bhd is a joint venture between Ireka Corporation Berhad and Greenway Urban Traffic (Europe) Co. Ltd. [formally known as CRRC Urban Traffic (Europe) Co. Ltd.]*

5-YEAR FINANCIAL HIGHLIGHTS

GROUP	12 MONTHS to 31.03.17	12 MONTHS to 31.03.18	12 MONTHS to 31.03.19 Restated	12 MONTHS to 31.03.2020 Restated	12 MONTHS to 31.03.2021
IN RM'000					
Revenue	331,759	268,767	200,134	157,054	**178,034**
Profit / (Loss) before taxation	3,946	(15,790)	(30,706)	(54,375)	**(26,075)**
Profit / (Loss) after taxation and minority interest	4,195	(15,991)	(30,524)	(58,574)	**(26,025)**
Issued share capital	170,872	180,049	181,288	181,288	**181,288**
Shareholders' funds	157,541	147,421	148,628	98,559	**90,671**
Total assets	512,263	498,259	492,805	504,362	**488,940**
IN SEN					
Gross dividend per share	2.0	2.0	–	–	**–**
Net earnings per share – Basic	2.46	(9.11)#	(15.26)#	(31.37)	**(13.94)**
Net tangible assets per share	92.2	81.9	82.0	54.4	**50.0**
IN PERCENTAGE					
Return on shareholders' fund	2.7	(10.8)	(20.5)	(59.4)	**(28.7)**
Gearing	80	66	69	139	**126**
Gearing (net of cash)	72	49	47	111	**94**

Note:

(i)# Net earning per share is calculated by dividing net profit for the year attributable to shareholders of the Company by the weighted average number of shares outstanding during the year

PROFILE OF DIRECTORS

TAN SRI DATO' MOHD ISMAIL BIN CHE RUS

Non-independent Non-executive Chairman

Aged 78, Male, Malaysian

Date of appointment: 19 August 2021

Tan Sri Dato' Mohd Ismail attended Command and Staff Courses at the Royal Malaysia Police College, Kuala Kubu Bharu, Selangor and studied Management of Training at the Royal Institute of Public Administration, London, United Kingdom and Post Graduate Senior Management at Institute for Development Policy and Management, University of Manchester, United Kingdom and Management of Crisis and Negotiation at Louisiana State University, Baton Rogue, United States of America. He graduated from Malaysia Armed Forces Defence College and awarded a Diploma with Military symbol 'MPAT'.

Tan Sri Dato' Mohd Ismail started his career with the Royal Malaysia Police as an Inspector in 1962 and was appointed to numerous command positions before appointment as Chief Police Officer for three states in Malaysia – Kelantan, Johor and the Metropolitan Police of Kuala Lumpur. Prior to his retirement, he held the rank of Commissioner of Police with the appointment as Director of Criminal Investigation Department, Bukit Aman, Kuala Lumpur.

Currently he is President of the Retired Senior Police Officers' Association, Malaysia. He was previously a Senior Independent Non-Executive Director of Ancom Berhad, Nylex (Malaysia) Berhad, Selangor Dredging Berhad, Esthetics International Group Berhad and an Independent Non-Executive Director of New Britain Palm Oil Limited [NBPOL], Papua New Guinea.

PROFILE OF DIRECTORS

MOHD HASNUL ISMAR BIN MOHD ISMAIL

Group Managing Director

Aged 51, Male, Malaysian

Date of appointment: 5 July 2021

Hasnul is the Co-Founder and Chairman of Shoraka Group of Companies, as well as the Partner of Shoraka Advisory Services, Dubai. He has over 25 years of experience in fund management, treasury and consultancy works within the ASEAN and MENA region. He has acted as advisor on many mergers, acquisitions and corporate finance mandates in a wide variety of industries. Hasnul started his professional career at the Investment and Treasury Department of the Central Bank of Malaysia. After leaving the Bank, Hasnul joined OUB-TA Asset Management Ltd, a Singapore-owned fund management company with fund size of more than US$2 billion. In 2004, he was promoted to be the CEO of TA Investment Management, Malaysia. Hasnul left the company in 2006 to set up Shoraka Advisory Services, Dubai.

Hasnul holds a BSc. (Hons) in Economics and Accounting from University of Bristol, UK and was a holder of Fund Manager's Representative License issued by the Securities Commission of Malaysia as well as License Director under the UK Financial Conduct Authority.

Hasnul is the son of Tan Sri Dato' Mohd Ismail bin Che Rus.

LAI VOON HUEY, MONICA

Group Deputy Managing Director

Aged 55, Female, Malaysian

Date of appointment: 30 June 1999

Lai Voon Huey, Monica joined Ireka as the Group Financial Controller in 1993 and was appointed as the Group Deputy Managing Director on 1 April 2015. She is also a Director of several subsidiaries within Ireka Group. She graduated from City University, London, with a Bachelor of Science (Hons) Degree in Accountancy and Economics. She has worked for two international accounting firms in England and Hong Kong prior to joining Ireka. She is a fellow member of several institutes that include the Institute of Chartered Accountants, England and Wales; Chartered Accountants, Malaysia; and the Malaysian Institute of Taxation.

PROFILE OF DIRECTORS

CHOW SUNG CHEK SIMON

Executive Director

Aged 52, Male, Malaysian

Date of appointment: 5 July 2021

Simon Chow joined Ireka Corporation Berhad as Chief Corporate Officer in July 2021. He was also appointed as Director of Ireka Corporation Berhad on 5 July 2021. He graduated from Thunderbird School of Global Management, Arizona, USA with a Master of Business Administration, and from Flinders University, SA, Australia with a Bachelor of Commerce (Computer Science).

He began his career as a stock broker 1993, and left to pursue his MBA after the Asian Financial Crisis in 1997. He then returned to Malaysia to lead a consultancy business which invested in domestic real estate from 2001 to 2006.

Simon commenced his foray into investments and asset management when he joined TA Investment Management Berhad as CEO from 2006 to 2008. Subsequently, he assumed the roles of CEO of CMS Trust Management Berhad (now known as Kenanga Investors Berhad) from 2008 to 2010, and Country Head/Executive Director of BNP Paribas Asset Management Sdn Bhd from 2010 to 2011. He then was Director at Amundi Malaysia Sdn Bhd from 2014 to 2018 before joining Bursa Malaysia Berhad as Executive Vice President, Securities Market in 2018. From 2019 to 2020, he was a member of the pioneering management team at BrioHR, a HR technology start-up with offices in Kuala Lumpur, Singapore and Paris.

CHAN CHEE KIAN

Executive Director

Aged 44, Male, Malaysian

Date of appointment: 1 April 2018

Chan Chee Kian joined Ireka Corporation Berhad as Manager, Strategy & Corporate Development in 2006 and subsequently promoted to Director, Strategy & Corporate Development in 2009. He was appointed as a Director of Ireka Corporation Berhad on 1 April 2018. He is also the Chief Executive Officer of Mobilus Sdn Bhd, a joint venture company between Ireka and CRRC Urban Traffic (Europe) Co. Ltd. and a Director of several subsidiaries within Ireka Group. He graduated from University of Bristol, United Kingdom with a Master of Engineering in Civil Engineering (First Class Honours).

He was previously a management and strategy consultant with Accenture in Kuala Lumpur and worked across Asia Pacific, including Singapore, Bangkok, Brisbane and New Delhi, advising a broad range of clients including large multi-national companies, Government linked agencies and local enterprises on strategic and operational issues.

PROFILE OF DIRECTORS

TAN THIAM CHAI
Executive Director

Aged 62, Male, Malaysian

Date of appointment: 1 April 2015

Tan Thiam Chai joined Ireka Engineering & Construction Sdn Bhd, Ireka's construction arm, in 1989 and has been the Chief Executive Officer since 2003. He is also the Director of Ireka Engineering & Construction Sdn Bhd. He was appointed as a Director of Ireka Corporation Berhad on 1 April 2015. He graduated from University of Bristol, United Kingdom, with a Bachelor of Science (Hons) Degree in Civil Engineering. He has worked for Ireka for 32 years and brings with him a wealth of expertise and know-how, having led many of the company's major civil engineering and building projects over the years.

HOE KAH SOON
Independent Non-executive Director

Aged 62, Male, Malaysian

Date of appointment: 1 April 2015

Board Committee Membership:
- Chairman of Audit Committee
- Member of Nomination & Remuneration Committee

Hoe Kah Soon graduated from University of Malaya in 1982 with a Bachelor of Accounting (First Class Honours) and in the same year successfully completed the MICPA examinations. He is a management consultant by profession and comes to Ireka with vast experience in helping global and local organisations successfully implement their strategic change programmes. While at Accenture, previously known as Andersen Consulting (1982 to 2006), he assumed numerous country, regional and global leadership roles. He sits on the board of several other limited companies.

PROFILE OF DIRECTORS

DATO' AZMI BIN ABDULLAH

Senior Independent Non-executive Director

Aged 70, Male, Malaysian

Date of appointment:

– 26 June 2015
  (Independent Non-executive Director)

– 27 February 2020
  (Senior Independent Non-executive Director)

Board Committee Membership:

• Chairman of Nomination & Remuneration Committee

• Member of Audit Committee

Dato' Azmi bin Abdullah graduated from Universiti Kebangsaan Malaysia (UKM) with a B.A. (Hons) Degree in Economics in 1974. He has extensive banking experience as he was formerly the First Managing Director/Chief Executive Officer of SME Bank and the Managing Director/ Chief Executive Officer of Bumiputera-Commerce Bank Berhad, where he served for more than 26 years in various departments. He was also an Independent Non-executive Director of Bank Muamalat Malaysia Berhad from 2009 to 2018.

He is currently a Director of Kumpulan Wang Amanah Pencen (KWAP) and a member of Board Risk Committee of Yayasan Pembangunan Ekonomi Islam Malaysia (YaPEIM). He also sits on the board of several other private limited companies.

SHAHRULADERI BIN MOHAMAD ADNAN

Independent Non-executive Director

Aged 45, Male, Malaysian

Date of appointment: 5 July 2021

Board Committee Membership:

• Member of Audit Committee

• Member of Nomination & Remuneration Committee

Shahruladeri is currently the CEO and the Board Member of CIB Capital Limited, a Fund Manager regulated by the Labuan Financial Services Authority. He is also the Board Member to Credit Investment Bank Ltd. Shahruladeri was the Director of Business Development for the Labuan International Business and Financial Centre and the Director of Islamic Finance for the Dubai International Financial Centre Authority where he significantly involved in the financial centres' international business development focusing on international business establishments, Islamic finance, Capital Markets and Wealth Management activities.

He started his career with the Maybank Investment Bank (formerly known as Aseambankers Malaysia Berhad), with extensive work experience within the bank's Corporate Finance & Advisory department and Private Equity subsidiary.

Shahruladeri is an Associate of the Chartered Institute of Management Accountants (CIMA), UK and graduated from Kingston University, UK in Accounting and Finance.

Notes:

Save as disclosed, all other Directors have no directorships in public companies or listed issuers and any family relationship with any Directors and/ or Major Shareholders of the Company.

None of the Directors have:-

1. *any conflict of interests with the Company;*
2. *any convictions for offences within the past five years (other than traffic offences, if any); and*
3. *any public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year.*

KEY SENIOR MANAGEMENT AND COMPANY SECRETARY

The key senior management comprising the five (5) Executive Directors including Mohd Hasnul Ismar bin Mohd Ismail, Lai Voon Huey, Monica, Chow Sung Chek Simon, Chan Chee Kian and Tan Thiam Chai. The other senior management are as disclosed below:

WAN AHMAD NAZIM BIN MOHAMED NOOR

Group Chief Strategy Officer
of Ireka Corporation Berhad

Aged 52, Male, Malaysian

Wan joined Ireka as Group Chief Strategy Officer on 5 July 2021 where he is responsible for the various strategic business development and positioning of the Group within the industry. He is also in charge of all the networking and relationship with the Government and Regulators. Concurrent to this, Wan is also the Group Executive Director of Shoraka Group. He is in charge of all the Advisory Services in Malaysia and SEA region under the Group. He has more than 30 years of experience in the capital market industry, in particular the stockbroking industry. He was formerly the Vice President of MIDF-Sisma Securities Berhad, in charge of Dealing and Business Development.

He has acted as lead on many business sourcing deals within the ASEAN region and has successfully built a reputation as a highly-respected deal maker within the region. Wan brings with him vast experience in fund raising and investment placement. Throughout his years in stockbroking industry, he had concluded more than 30 private placement deals.

Wan is also a board member of MIASA Malaysia, a Mental Health Advocacy and Peer Support group based in Petaling Jaya and the Director of Qaiser Darussalam, an Islamic Academy and enrichment centre since 2013.

CHAIRIL BIN MOHD TAMIL

Chief Financial Officer
of Ireka Corporation Berhad

Aged 51, Male, Malaysian

Chairil bin Mohd Tamil joined Ireka as Chief Financial Officer on 5 July 2021. He has more than 25 years of experience in Investment Banking, Corporate Finance, Capital Markets and International Business, a successful career in various investment banks, commercial banks and consulting firms such as Arab-Malaysian Merchant Bank Berhad (Oct 1993 - Aug 1996), Perwira Affin Merchant Bank Berhad (Sep 1996 - Sep 1999), Commerce International Merchant Bankers Berhad (Sep 1999 - Sep 2000), Bank Muamalat Malaysia Berhad (Sep 2000 - Jan 2007) , Shoraka Advisers Sdn Bhd (Feb 2007 - June 2010), Prokhas Sdn Bhd (July 2010 - Mar 2011) and Export-Import Bank of Malaysia Berhad (“EXIM Bank”) (June 2011 - May 2018).

He last served at EXIM Bank as Deputy President Business responsible for overseeing Banking Department, Credit Insurance Department and Product Development Department. During his tenure, EXIM Bank had received 3 awards from Project Finance International Magazine, The Banker and Euromoney for Asia Pacific Deal of the Year 2013 for an IPP Project in Indonesia. At EXIM Bank, he was a member of various management committees.

He had numerous speaking engagements locally and internationally. He was appointed by CIDB as one of the Panellist of Assessor for Malaysian Construction Industry Excellence Awards 2017 and 2018 (MCIEA) for International Achievement Award.

Chairil bin Mohd Tamil holds a Bachelor of Science in the Joint School of Economics and Accounting from University of Bristol, United Kingdom.

KEY SENIOR MANAGEMENT AND COMPANY SECRETARY

NG YAU SIONG

Deputy Chief Executive Officer
of Ireka Engineering & Construction Sdn Bhd

Aged 57, Male, Malaysian

Ng Yau Siong joined Ireka in 1991 and was promoted to the Deputy Chief Executive Officer of Ireka Engineering & Construction Sdn Bhd on 1 December 2012. He is an engineer by profession and he holds a Bachelor of Engineering (Hons) Degree in Civil Engineering from the University of Canterbury, New Zealand. In the span of 30 years in Ireka Engineering & Construction Sdn Bhd, he has held various management positions and successfully completed numerous multi-million civil engineering and building projects.

KHOO BOO TEE

Chief Operating Officer
of Ireka Development Management Sdn Bhd

Aged 59, Male, Malaysian

Khoo Boo Tee joined Ireka as Chief Operating Officer of Ireka Development Management Sdn Bhd ("IDM") on 2 January 2020 and was subsequently promoted to the Chief Executive Officer of IDM on 1 April 2021. He is a Chartered Accountant (MIA) and a Fellow Member of the Chartered Association of Certified Accountants. After spending nine years in professional accounting practices, he joined a listed property company in 1995 and has since been in the construction and property development businesses for past 25 years. Before joining Ireka, he was instrumental in the founding and growth of a privately owned property company.

YAP KET BIN

Chief Executive Officer
of i-Tech Network Solutions Sdn Bhd

Aged 43, Male, Malaysian

Yap Ket Bin joined Ireka on 4 August 2008 as Chief Operating Officer of i-Tech Network Solutions Sdn Bhd ("i-Tech"), one of Ireka's core businesses and was appointed as the Chief Executive Officer of i-Tech on 1 April 2018. He graduated from Iowa State University, Ames, USA with a Bachelor of Science Degree, majoring in Computer Science. He has over 17 years of experience in the Information Technology industry. Over the past 13 years in Ireka, he has expanded i-Tech's business to Vietnam and established a new business unit – iTech ELV Solutions Sdn Bhd. He has also been appointed as Ireka's Information Technology advisor to improve the Group's operational efficiency using technology.

WONG YIM CHENG

Group Company Secretary
of Ireka Corporation Berhad

Aged 57, Female, Malaysian

Wong Yim Cheng joined Ireka as Group Company Secretary on 1 July 2000. She is currently overseeing the corporate services and corporate communication divisions. She is an Associate of the Malaysian Association of the Institute of Chartered Secretaries and Administrators ("MAICSA") and has over 30 years of working experience in company secretarial practice and corporate work.

Notes:

Save as disclosed, all other senior management and company secretary have no directorships in public companies or listed issuers and any family relationship with any Directors and/or Major Shareholders of the Company.

None of the senior management and company secretary have:-
1. *any conflict of interests with the Company;*
2. *any convictions for offences within the past five years (other than traffic offences, if any); and*
3. *any public sanctions and/or penalties imposed by the relevant regulatory bodies during the financial year.*

SUSTAINABILITY STATEMENT

At Ireka Corporation Berhad (Ireka or the Company) and our subsidiaries (The Group), we work hard to embrace corporate responsibility and sustainable management into our businesses.

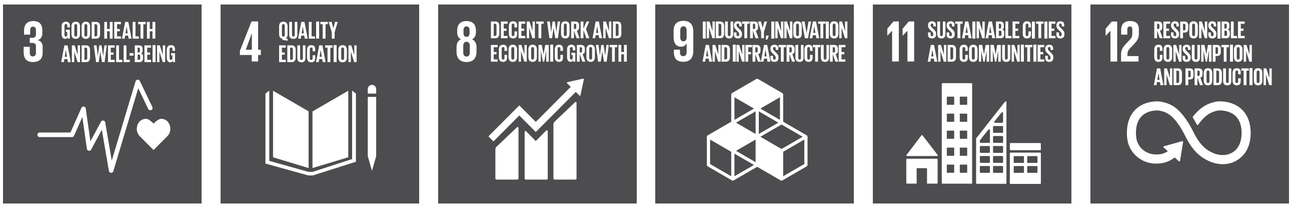
Facing the challenges posted by the COVID-19 pandemic in 2020, the Group is even more determined to address the sustainability risks and opportunities by upholding the four key pillars of Economic, People, Environmental and Community (EPEC) which outlines the framework for our sustainability practices across the organisation. However, it has to be acknowledged that all our business areas have been (and continue to be) affected by the pandemic which slowed down progress and in turn has impacted delivery of our sustainable goals.

This Statement highlights the importance we place on delivering collective economic growth, responsible and proactive initiatives to environmental causes, employee wellbeing and impactful community engagement. The Group is serious about continuing to take steps to measure and monitor our progress against our impact in these areas.

The statement is produced in close reference to the relevant Bursa Malaysia listing requirements set out in its Reporting Guide 2nd Edition.

OUR COMMITMENT TO A SUSTAINABLE ENVIRONMENT

The Group has identified six of the UN's 17 Sustainable Development Goals (SDGs) under its Agenda 2030, that most align to our vision of being a progressive Company striving for performance reliability and excellence in quality. The Group aspires to build a business that is economically, environmentally and socially sustainable.



SDG	Details	Our Contributions
3 **GOOD HEALTH AND WELL-BEING**	Ensuring healthy living and wellbeing	• Establishment of COVID-19 Joint Action Committee between Human Resources, Corporate Communications Department & Emergency Response Team to keep staff updated with COVID-19 developments. • Establishment (and regular updating) of Standard Operating Procedures ("SOP") for COVID-19 and regularly reviewing compliance to ensure health of site workers and office employees. • Daily media news on COVID-19 monitored and provided to keep staff updated with local and international developments. • HQ offices rearranged to protect staff in accordance with the SOPs.
4 **QUALITY EDUCATION**	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	• In-house training for employees (e.g. Branding Workshop conducted for all new staff and relevant departments). • Safety & Health training attended by the Group's Safety & Security Team. • Seminars & Webinars related to their work areas attended by employees. • Quarterly staff magazine, iPULSE provides learning articles on critical and relevant issues such as Anti-corruption and COVID-19 updates.

SUSTAINABILITY STATEMENT

SDG	Details	Our Contributions
8 **DECENT WORK AND ECONOMIC GROWTH**	Promote inclusive and sustainable economic growth	• Standard safety & health training course given to staff in the construction line, hospitality business and HQ staff. • All employees are given annual appraisals to evaluate work performance.
9 **INDUSTRY, INNOVATION AND INFRASTRUCTURE**	Build infrastructure to promote sustainable industrialization and foster innovation	• Building quality homes, offices, industrial factories and sustainable development projects that contribute to improving the community's quality of life. • Ireka's Urban Transportation Business joins forces with CRRC to promote urban public transportation and technologies that run on clean energy to contribute to the country's sustainable development plans.
11 **SUSTAINABLE CITIES AND COMMUNITIES**	Make cities and human settlements inclusive, safe, resilient and sustainable	• Implementation of rainwater harvesting system for landscape irrigation for our KaMi project in Mont' Kiara and the Dwi@RimbunKasia project in Nilai. • Ireka's Urban Transportation Business joins forces with CRRC to promote urban public transportation and technologies that run on clean energy for the sustainable development / Transit-Oriented-Development in the country. • Community programmes to raise awareness and donations to charitable causes through Ireka's flagship CSR Programme, IREKA CARES.
12 **RESPONSIBLE CONSUMPTION AND PRODUCTION**	Ensure sustainable consumption and production pattern	• Continue to practice and promote 3R principles of "Reduce, Reuse and Recycle" throughout the organisation. • To achieve a positive change in our operations and cut down waste through above practices. • Staff quarterly magazine, iPULSE has standing item on sustainable practices and reducing waste at work.

OUR SUSTAINABILITY FRAMEWORK

To achieve our SGDs, Ireka adopts a strategic approach to our sustainable journey that is centered on delivering shared values for our key stakeholders with a sustainability framework by outlining its priorities and plans. This framework also reflects the importance we place on delivering great homes, work and hospitality spaces, hospitals and communities for our buyers and business partners; while operating responsibly and investing in the future.

This sustainability statement, which covers the scope of our reporting, contains policies and programmes that we have organized towards achieving positive outcomes in the following four key pillars:

KEY PILLARS	OUR INITIATIVES
ECONOMIC	Reviewing our marketplace regularly in order to ensure that we remain relevant and up-to-date in the current business environment.
PEOPLE	Ensuring the welfare of our employees as paramount and enabling them to be able to work in a safe and healthy environment.
ENVIRONMENT	Developing "Green" and sustainable projects, while minimising our potential impact on the environment as far as practicable.
COMMUNITY	Doing our best to be part of the community where we have our business operations through making a difference to the most vulnerable in society.

SUSTAINABILITY STATEMENT

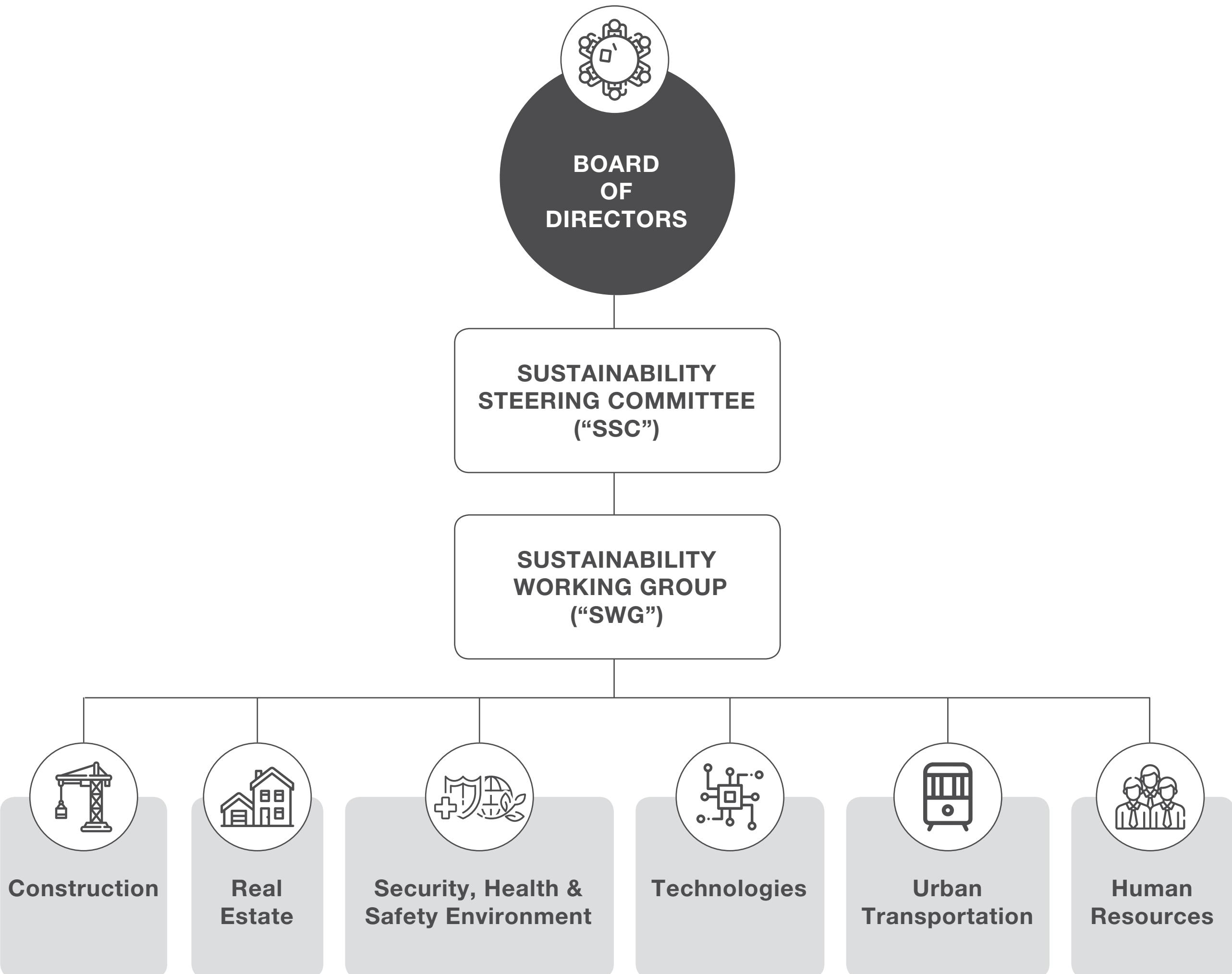
Ireka has continued its commitment towards achieving these objectives and incorporating sustainability into all 4 of its core businesses: Construction, Real Estate, Technologies and Urban Transportation. The Group will continue to critically evaluate its progress to improve the way the Company's businesses are conducted.

SUSTAINABILITY GOVERNANCE STRUCTURE

Effective integration and management of sustainability requires committed leadership, clear direction and strategic influence – all driven by a robust governance structure. Sustainability governance is important, not only because it is a Bursa requirement, but also it helps us implement a sustainability strategy across Ireka, manage reporting processes and ensure overall accountability. Ultimately, we hope this will help strengthen relations with external stakeholders to demonstrate our commitment to sustainable development.

To this end, we propose the establishment of a three-tiered sustainability governance structure as the key driver of the sustainability agenda within the Group. The first tier consists of the Board of Directors ("BODs"), followed by the Sustainability Steering Committee ("SSC"), and subsequently the Sustainability Working Group ("SWG"), represented by Managers and department heads from key business divisions and departments. This shows how seriously we take the issue of sustainability and is not intended to be onerous nor add to already busy workloads; neither is it intended to be a tick-box exercise.

Working together with the Senior Management team, the SSC board-level champion will also provide oversight of corporate sustainability performance at the regular meetings with department heads and ultimately to the Board of Directors (BoD).



SUSTAINABILITY STATEMENT

Roles and responsibilities of the BoDs, SSC and SWG:

	Role	Responsibilities
THE BOARD	• Retain overall responsibility for the Group's sustainability governance	• Oversee and lead the Group's sustainability agenda • Manages, approves and reviews the Group's Sustainability Initiatives
SSC	• Responsible for establishing sustainability strategy	• Develops the Group's sustainability strategies and objectives in line with the Board's agenda • Oversees the SWG for the Group's progress in its sustainability programme • Ensures that sustainability disclosures are in accordance with Bursa Malaysia's Listing Requirements
SWG	• Responsible for implementing and monitoring sustainability initiatives	• Assist SSC in preparing the Group's sustainability report • Assists the SSC in duties to implement the Group's Sustainability strategies, policies and initiatives

STAKEHOLDER ENGAGEMENT

Stakeholder engagement is an essential element of business sustainability. We conduct regular communication with our stakeholders to ensure transparency and maintain trust. To understand our stakeholders' perceptions and respond effectively to their needs and concerns, we communicate across multiple channels and platforms. Our approaches with a summary of key areas of interest are set out as below:

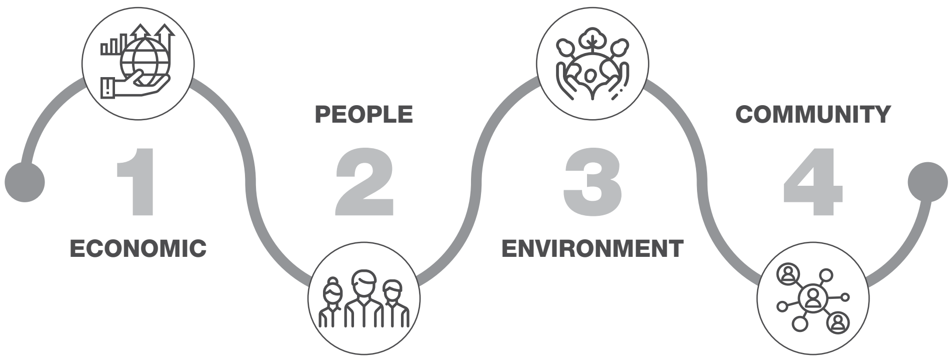
Stakeholder Group	Engagement Platform	Our Areas of Interest
 **EMPLOYEES**	• Internal communications • Face to face meetings (online and physical) • Town Hall meetings (online) • Performance reviews • Community development programmes (IREKA CARES) • Conference, seminars & workshops • Code of conduct and Whistle Blowing policies • Staff surveys	• Health & safety • Human capital development • Protecting employment during the COVID-19 pandemic

SUSTAINABILITY STATEMENT

Stakeholder Group	Engagement Platform	Our Areas of Interest
CUSTOMERS	• Satisfaction surveys • Suggestion boxes • Social media • Newsletters and CiTi-ZEN magazine • Campaigns • Exhibitions (virtual and physical) • Mobiles and emails communication • Company website • Customer experience	• Customer experience • Product delivery • Site visit safety during COVID-19 pandemic • Loan approval to purchase properties
INVESTORS, ANALYSTS, AND FUND MANAGERS	• Quarterly report & financial analysis • Face to face meetings (online and physical) • Conference • Media releases & interviews • Annual reports • Company website	• Interest in the Group's financial & operational performance • Strategy & risk management • ESG risks & opportunities
LOCAL COMMUNITIES	• Community development programmes (IREKA CARES) • Media releases • Social media	• Investment in community growth • Sustainable development & project impact
REGULATORS AND LOCAL AUTHORITIES	• Face to face meetings (online and physical) • Regular engagement for knowledge sharing • Media releases • Attend conferences • Partake in surveys • Attending seminars and training seminars	• Good practice in compliance with laws & regulations • Supporting to Government policies related to affordable housing
MEDIA	• Community development programmes • Media releases • Advertising • Conferences	• Company's growth strategy • Company's financial & non-financial performance • Community initiatives • Joint events for public awareness
INDUSTRY	• Surveys • Conference • Interviews • Face to face meetings (online and virtual) • Joint ventures to strengthen project developments	• Sharing industry knowledge • Building strategic partnerships
SUPPLIERS	• Face to face meetings (online and physical) • Annual reassessment of supplier performance	• Health & safety • Worker wellbeing and welfare • Environmental compliance • Design, quality & workmanship • Management & timely payment of fees

SUSTAINABILITY STATEMENT

4 KEY PILLARS OF OUR SUSTAINABILITY FRAMEWORK



ECONOMIC

As a Company with roots going back over 50 years, and with a successful track record of building and construction, we aim to build a proud and sustainable legacy. Over the years, Ireka has been building its business resiliency through strengthening its adaptability to the changing needs of the working and business environment, and compliance with evolving regulations. As the Company continues to grow, we remain committed to high standards of corporate governance as we continue to uphold the trust in the Ireka brand, and ensure customer satisfaction through our quality products and services.

- **Economic And Business Performance**

  Since its beginnings in 1967, Ireka has completed over 40 development projects that include some of the most significant infrastructure development projects, property development, mixed developments, a hospital and hotel development projects.

  Ireka currently has 3 on-going property development and hospital extension projects with 416 units sold in Klang Valley, Selangor and Nilai, Negeri Sembilan. Whether to improve the quality of living and working for people in the communities, these projects create a spillover effect to the economic development in relevant states and the country.

Economic Contribution To Society	
Revenue in FY2021: **RM178.0 million**	Total Projects in FY2021: **3 on-going projects**
Launched Properties in FY2021: **586 units**	Unit sold: **416 units**
Total Gross Development Value (GDV) for property development: **RM619.3 million**	Customer satisfaction: **93%**

SUSTAINABILITY STATEMENT

- **Marketplace**

  With its long track record in the construction and property development industry, Ireka is confident of what its shareholders, investors, buyers, owners, suppliers and business associates require. An effective communications and marketing strategy allows all our stakeholders to gain a greater understanding of our business, governance, financial performance and prospects.

  To ensure the safety of our potential investors for our property projects, visitors as well as the our staff, the Group established the COVID-19 Standard Operating Procedures (SOPs) at its HQ, sales galleries and at all working sites. The SOPs are revised and updated with reference to the latest policies announced by the Malaysian Government.

  To enable interactive engagement with our clients and stakeholders, the Group continues to leverage on the online marketing communications approach by regularly updating information on its official websites, and social media platforms. The objective is to promote and facilitate communication with our shareholders and to provide them with useful information about the Company and its governance.

  Aside from this, Ireka maintains good communication processes with owners and buyers through its customer relationship team and marketing division. The Company's quarterly lifestyle magazine, CiTi-ZEN which has been produced since 2008 also provides stakeholders with progress information on Ireka's various developments as well as articles on lifestyle interest issues. Readers are encouraged to provide feedback on the magazine.

  Going forward, Ireka will continue working to better understand the expectations of its stakeholders and to address the challenges and opportunities identified through the feedback received.

- **Implementation of Virtual Property Tour**

  The COVID-19 pandemic has interrupted operational norms so Ireka has accelerated its adoption of innovative technologies and leveraged on different digital platforms to improve our customer experience and to sell our properties. Some of these initiatives included the, launch of our virtual property tour with enhanced 3D virtual home buying experience, more use of the Group's social media pages and websites. With this approach, any interested investors can have direct and informative access to our projects at their own convenience. Throughout the year, we have received positive responses from this platform by recording views from more than 77,000 users. Moving forward, Ireka will continue to expand its virtual platforms and set future goals of moving from contactless sales pitching to eventual unit bookings.

- **Product Quality**

  From the project tendering stage to the post-handover of a project, Ireka is committed to ensuring its products and services qualities by implementing stringent quality control and quality assurance processes at all stages.

  Working with the project managers, our Property Management & Maintenance Department carry out a thorough and comprehensive check on every completed unit and rectify defects before handing over the units to our clients. To interactively engage with our customers for feedback on our products and services for continuous improvement purpose, a two-staged customer satisfaction survey is conducted, before and after the handover of the sold unit or project.

- **International Standards**

  Ireka continues to adopt professional and international industry benchmarks for our product quality assurance and management and was certified with the ISO9001: 2015 Quality Management System. Guided by this standard, quality assurance of our projects is an end-to-end process involving systematic quality standards identification, project performance evaluation and quality compliance monitoring, which enable us to deliver products that meet stringent requirements, in both the quality and workmanship.

SUSTAINABILITY STATEMENT

- **Compliance with Regulatory Policies & Practices**

  Ireka is committed to upholding high standard of corporate governance, integrity and accountability, reinforced by robust management of risks and internal controls with the objective to safeguard the long term sustainability of all our businesses and interests.

  In line with the amendment of the Malaysian Anti-Corruption Commission Act 2018 effective from 1 June, 2020, the Group implemented the Anti-Bribery & Anti-Corruption Policy & Guidelines across the organisation to adhere to all applicable laws in relation to the Act. HR updated the Anti-Bribery & Anti-Corruption Policy & Guidelines which was then posted on the Ireka website to show our commitment to the public. Information was placed in the Company magazine, iPULSE, to raise awareness and reinforce the seriousness with which the organisation takes this policy.

  Aside from this, Ireka also strictly adheres to the Privacy Policy & Data Protection Act by ensuring that all personal information or data regarding our customers and relevant stakeholders are collected and used judiciously and strictly within the law.

- **Branding and Reputation**

  As an established Company of more than 50 years, we take our brand reputation seriously to uphold the trust of our customers and stakeholders placed on us. This is in line with our tagline, “In Trusted Hands”. We strive to relentlessly improve the quality of our products to deliver our promise to all relevant stakeholders. We believe that, doing things right and at its best is the most important value of all of our brands across the organisation, which is also the key to long term sustainability of our businesses. A branding workshop, led by Corporate Communications, is held at least once yearly for new staff; and before any logo goes out into the public domain, is checked with Corporate Communications for accuracy.

PEOPLE

2

Ireka perceives its employees as the most valuable asset of its businesses; hence, to ensure the welfare of our employees and enabling them to be able to work in a safe and healthy environment is amongst the upmost priority of the Group’s sustainability agenda. By doing the above, we aim to maintain and improve the Group’s human capital by ensuring our employees are well taken care of in terms of their well-being, skills development and growth.

- **Workplace**

  Ireka employed a total of 414 staff, with the ratio of 76% men to 24% women in FY2021, with the average age of Ireka’s staff being around 44 years old; and the average length of service about 9 years. The Group adopts fair practices in attracting, developing and retaining employees, which includes extending the provision of career development opportunities. Ireka’s HR department, which comes under the purview of the General Manager, has a robust people strategy that is regularly reviewed by the senior management team. There was however no KPI Performance Assessment for year 2020 due to the Government imposed lockdowns to curb the spread of the Covid-19 virus. The main reason for not proceeding is that the assessment would be filled with ambiguity and fluctuations; and the new experience of working from home made it hard to gauge staff performance fairly.

SUSTAINABILITY STATEMENT

The implementation of Movement Control Order (MCO1.0) was first announced by the Government to curb the spread of COVID-19 in March 2020, followed by the MCO 2.0 in January 2021 and MCO 3.0 in May 2021. Our employees were therefore assigned to work from home or to work on a rotational basis for most of 2020 and hitherto. To ensure a supportive environment for our employees to work remotely from home so that their work performances were not affected, the Group accelerated its adoption of innovative technology solutions. These included the upgrade of our online software and hardware system. The Group's subsidiary, iTech played a central role to support and facilitate the upgrade of the software programme and system for the various departments across the organization. They were readily available to offer advice and support when needed.

- **Health & Safety**

  During this turbulent time affected by the pandemic, the concern for health and safety for our employees is more important than ever. We implemented a series of stringent measures for the safety of our employees across all our offices and premises. To address the challenges posted by the pandemic, a COVID-19 Joint Action Committee was set up between the Human Resources Department, Corporate Communications Department and the Emergency Response Team (ERT).

  A set of COVID-19 SOPs was established by the Committee and guidelines were also given to all staff assigned to work from home. To ensure the SOPs is updated and in compliance with latest policies announced by the Government, the Committee also regularly revised the relevant guidelines and SOPs.

  The measures along with standard SOPs included social distancing demarcations, placement of COVID-19 visual reminders throughout, and information as well as professional sanitisation by a third-party specialist. Staff were relocated across the 3 different office floors to minimise contact and to ensure work continuation; a facial recognition temperature machine was placed at the entrances to each office level to minimise touch points and i-Tech also introduced an eSignature protocol to manage electronic agreements which both cut down on paper use and also minimised touch points.

- **Occupational Safety & Health Awareness Programmes & Training**

  Ireka's Head of Security, Jamz Jamsari and Health & Safety Environment (HSE) Manager, Balakrishnan A/L Karuppiah organised a series of training sessions for HQ, project and site staff throughout the year to ensure everyone is up-to-date with their knowledge of the latest health & safety requirements.

  Working together with the Group's Emergency Response Team (ERT) to prevent infection of COVID-19 pandemic at the workplace, all sites and workers quarters were monitored regularly to ensure our workers' health and well-being. Regular inspections are done to comply with the local authorities' requirements especially on cleanliness, spacing distance of accommodation, etc. A clear set of SOPs (which is updated regularly in compliance with the Government's policies) on self-quarantine requirements for suspected COVID-19 cases, close contacts with confirmed cases were provided to all site workers.

  To comply with the Department of Occupational Safety & Health (DOSH) Malaysia's requirement, guidelines were also provided to the Health, Safety & Environment (HSE) Officer to achieve the Safety & Health Continuous Education Program (CEP) Training Program throughout the year.

SUSTAINABILITY STATEMENT

Safety & Health Training & Programmes Conducted		
Trainning/ Programme	**Targeted Groups for Training**	**Frequency**
Inspections at all working sites	• Security service providers • Site management teams • Site workers	Weekly
Health & Safety Committee meetings on COVID-19 prevention & other related matters	• Security service providers • Site management teams	Monthly
ERT members meeting on COVID-19 prevention & other related matters	• ERT members • Human Resources managers • Corporate Communications	Monthly
Regular Emergency Response Team Training	• ERT members	Quarterly
Health, Safety & Environmental Training	• Security service providers • Site management teams • Site workers	Quarterly
Fire & Security Awareness Training	• All employees at HQ • Security service providers • Site management teams • Site workers	Quarterly
Fire Drill & Emergency Drill Training	• All employees at HQ • Security service providers • Site management teams • Site workers	Quarterly
Fire Drill &Handling Fire Fighting Equipment Training	• ERT members • Security service providers • Site management teams • Site workers	Quarterly

- **Staff Induction**

  Induction is an essential part of familiarising new recruits with the company and getting the process right can help them to foster a positive attitude for their new job and has been shown to play a big part in improving long-term staff retention. The HR department takes the lead on the induction of new employees, briefing them on the Company's values and policies. The Corporate Communications team is responsible for inducting new employees on the Group's branding and identity quite early on into their career at Ireka so they understand our mission, values and objectives via events organised such as the Branding Workshop.

  The induction programme does not only include explaining the business and introducing key people and their roles, but also explains the Company's extra-curricular activities – namely, the Ireka Sports and Recreation Club (ISRC) and the flagship CSR project, IREKA CARES. The Company places importance on these clubs and are keen to encourage staff to participate in them.

SUSTAINABILITY STATEMENT

- **Internships**

  Ireka has a structured internship programme because it recognises the benefits interns bring to the business. Students are provided with a small stipend, supervision, training and mentoring. The benefits work both ways where the students would learn new organisational skills at first-hand and for the Company, interns bring fresh perspectives to the role, as well as being an extra pair of hands. There were 10 interns recruited in FY2021 at Ireka.

- **Employee Engagement**

  Ireka has a long standing tradition of hosting Town Hall events that are attended by staff across the organisation to hear from the senior management team on the Company's plans and strategic direction. Ample opportunity is always given to staff to ask questions of the top management and to raise issues of concern. In order to encourage as many staff as possible to speak out, the Corporate Communications team invites all staff to pose their questions in advance to be answered by the senior managers at the Town Hall event. The event is always recorded and the responses to staff's questions are posted on Ireka's intranet soon after the Town Hall.

  In order to assess the impact of the movement restrictions imposed by the Government to curb the spread of COVID-19, the well-being of staff and the working from home arrangements, several employee surveys were conducted by the Corporate Communications Department. These included the "Ireka Working From Home Survey" in April 2020, and followed by "Ireka Post MCO Survey- Working on Rotational Basis" in August 2020. The objective of the survey was to ascertain how Ireka's employees found this new way of working and what lessons could be learnt for the future; including gathering information on the types of support required. Feedback from participating staff to both surveys were then brought up to the Town Hall event held in 1 Oct 2020 for further discussion.

  To ensure all staff across the Group kept updated on the latest industry related news and policies announced by the Government facing the COVID-19 crisis, Corporate Communications continues to provide its daily news feed to staff via its news monitoring programme.

  On the other hand, iPulse, the Company's quarterly magazine produced for employees is another mechanism for them to keep informed with what is happening in the Company and to share important information about colleagues with each other. Staff are also encouraged to use technology, such as the television at the Level 18 reception area to share information about key events in their lives such as family weddings or memorable weekend activities.

- **Cultivating Talent**

  People are the heart and soul of innovation. As always, Ireka's technology arm, i-Tech continues to attract top talent from all over the country to drive its objectives forward. At the same time, i-Tech will serve as fertile ground for the current staff to flourish. In line with Company's corporate strategy and the varied demands of digital transformation, i-Tech will continue focusing on nurturing its own team through continuing education opportunities and webinars from technology partners.

SUSTAINABILITY STATEMENT

ENVIRONMENT

The Group recognises the importance of environmental protection as part of its initiatives towards the goal of achieving sustainable development. To this end, Ireka has made considerable efforts to develop and execute eco-friendly strategies that are in line with the Board's agenda while ensuring its businesses are in compliance with the relevant regulatory and practices.

- **Environmental Regulatory Compliance**

  Certified with the ISO14001:2015, Ireka Development Management continues to work with strict compliance to requirements under all environmental regulatory laws and regulations which are applicable to our operations.

Economic Contribution To Society	
Land Conservation Act 1960	Local Government Act 1976
Environmental Quality Act 1974	Sewerage Services Act 1993
Street, Drainage and Building Act 1974	Sewage Regulations 2009
Town and Country Planning Act 1976	Clean Air Regulations 2014

- **Green Building Initiatives & Space**

  At Ireka, we acknowledge that the construction industry accounts for high energy consumption, solid waste generation and environmental damage. To mitigate the possible impact and damage to the environment, the Group is committed to deliver sustainable building for all of our projects. These include effort and considerations that we put into before the launch of any project, starting from the initial design stage and planning of a development project, to its latter stage of construction and completion. To this end, Ireka will continue to develop buildings and projects that emphasise on energy-saving and being environmentally friendly.

  Our current development projects with environmentally friendly features are as follows:

Project	Environmentally friendly features	Description about Project
KaMi Mont' Kiara	• Rainwater harvesting system to recycle rainwater for irrigation of plants and trees promotes using water resource sustainably. • Low-E glazing (Low emissivity glazing) used for West facing windows to reduce solar heat gain to achieve a more energy efficient residential units.	• Japanese concept condominium with 168 residential units

SUSTAINABILITY STATEMENT

Project	Environmentally friendly features	Description about Project
Dwi@ RimbunKasia, Nilai	• Bicycle Irrigation System – designed specifically to promote rainwater harvesting and fitness; to generate energy with the aim of introducing sustainable living in a socially engaging and holistic way. • Natural Lighting and Ventilation – every apartment with its single loaded corridor and courtyard configuration is architecturally designed to leverage on natural lighting and ventilation to reduce energy usage.	• 382 residential units (with 203 of them dual-key units) in a 9-storey block; 1 storey car park; and guard house

- **Efforts to promote urban transportation in Malaysia**

  The Group's venture into the urban transportation business to promote a transportation system that operates on clean energy is in line with the Malaysian Government's commitment to reduce, by 2030, its CO_2 emissions per unit of GDP by 45% from its 2005 level; and to increase the usage of public transportation mode to 40%.

  In January 2021, Ireka was proud to bring in the first Automated Rapid Transit (ART) Into Iskandar Malaysia, Johor, which was subsequently launched as one of the test lines in the Iskandar Malaysia Bus Rapid Transit System (1MBRT) in April 2021. ART is a transit system for urban passenger transport using leading edge technology developed by the CRRC Group. ART allows for high passenger capacity at a lower cost of implementation and operates on clean sources of energy like electricity or hydrogen. The multi-carriages are equipped with sensors that read the dimensions of a road, enabling it to automatically navigate its own route, travelling up to 70 kilometers per hour and carrying as many as 300 passengers with 3 carriages; and 500 passengers with maximum capacity of 5 carriages.

  By introducing green technology such as the ART to Malaysia, the Group aims to contribute to the SDGs to achieve reduction of CO_2 emissions set by the Government.

- **Adoption of IT & Technologies to Reduce Carbon Footprint**

  i-Tech, Ireka's technology arm, aims to help companies save money and energy using cloud computing technology. By leveraging on its strength and expertise, i-Tech has aspired to proactively contribute to the reduction of carbon footprint in the environment by being able to provide our clients with more efficient management. This is in line with Ireka's strategy to promote sustainability by adopting more green initiatives such as Cloud computing and Cloud-based applications that allow us to utilise the virtual public Cloud and drive down energy resources for the Group's business operations.

  While 2020 and the first quarter of 2021 continued to have its fair share of challenges worldwide, it was also a blessing in disguise for the technology industry. The ongoing pandemic accelerated the digital transformation of organisations across the country at an exponential rate. At the same time, for those companies that were either on the fence, or had not prioritised Cloud adoption, this pandemic presented us with an opportunity to convince them to migrate their workload and storage to the Cloud because it not only changes how businesses store and access data, but it also changes how many of these businesses operate.

  As the Cloud continues to serve as the fundamental enabler for digital transformation, i-Tech believes that the growth and demand for Cloud services will remain strong post-pandemic. Companies will continue to benefit from the continuous investment made by public Cloud vendors such as AWS, Microsoft, Google and Alibaba, as well as local cloud providers, and this means that they will be able to evaluate more options that different providers offer and how they would support their unique business requirements in the long run. i-Tech is well positioned and ready to take advantage of this.

SUSTAINABILITY STATEMENT

COMMUNITY

Ireka firmly believes that community development is the way forward to strengthening society and this, it tries to do through its flagship CSR programme, IREKA CARES. This programme is all about children. The principle behind IREKA CARES (which began in 2010) is about empowerment of local communities and working to strengthen the capacity of the children whom they have chosen to work with, through spending time with them rather than just through grant giving.

During the COVID-19 pandemic in 2020, most of the CSR activities through physical meetings were not allowed but IREKA CARES continues to play its role to support the children's home it adopted, Home of Peace, by helping the home to replenish its grocery supplies on a regular basis. To this end, contributions were made to the Home through online orders (with contactless delivery services provided) for items such as food & beverage, groceries, masks, etc.

Apart from that, IREKA CARES volunteers also continue their efforts to keep in touch with the children from the Home via bi-monthly virtual meetings. During the meetings, activities such as fun quiz sessions were organised and general catch-up discussions with the children.

To promote the concept of environmental sustainability efforts through food waste reduction during the festive season and recycling, IREKA CARES also organised a "Board Games & Cookies Donation Drive to the Home of Peace" in February 2021 after the Chinese New Year. This event was well responded to by Ireka's employees from across the organization who generously made voluntary donations to the Home.

CSR Programmes/ Activities	Objective	Outcome
Replenishing groceries for Home of Peace through online orders	• To support the children's home • To minimize and avoid risk of COVID-19 infection at the Home via contactless delivery of items	• Contributions were made to ensure the well-being of the children at Home of Peace
Regular virtual meetings with children from Home of Peace	• To keep in touch and actively engage with the children	• Interactive engagements with the children despite all physical activities are not allowed
Board Games & Cookies Donation Drive to Home of Peace	• To promote the awareness of food waste reduction among employees • To promote the awareness of recycling among employees	• The objective was met and it enabled the participating employees to donate their items to the Home of Peace children.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ('Board') of Ireka Corporation Berhad ('Ireka' or 'the Company') is pleased to present this Corporate Governance Overview Statement ('Statement') to provide investor with an overview of the extent of compliance with the 3 key Principles as set out in the Malaysian Code on Corporate Governance 2017 ('the Code') by the Company throughout the financial year ended 31 March 2021. This Statement also serves as a compliance with Paragraph 15.25 of the Main Market Listing Requirements ('Listing Requirements') of Bursa Malaysia Securities Berhad ('Bursa Malaysia'). The Corporate Governance Report is available on the website of Bursa Malaysia together with the Annual Report 2021 and is also posted on the Company's website at www.ireka.com.my.

The Board remains committed to ensuring that good corporate governance principles continue to be developed and implemented throughout the Group with the ultimate objective of enhancing shareholders' value, whilst considering the interests of other stakeholders as well as to generate long term sustainability and growth.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

The Group is led by an effective Board which plays an important role in protecting and enhancing the interests of its shareholders and stakeholders. The Board is ultimately responsible in determining the direction of Ireka Group, thereby ensuring the long-term success of the Group and the delivery of sustainable value to its stakeholders. The Board provides leadership and advice on the long-term corporate strategies, advocates good governance and ethical practices, and ensures the effective implementation of the corporate strategies. The principal responsibilities include the following:-

- reviewing and adopting strategic plans for the Group;
- overseeing the conduct of the Group's businesses to evaluate whether the businesses are being properly managed;
- identifying principal risks and ensuring the implementation of appropriate internal control and mitigation measures;
- succession planning, including appointing, training, fixing the compensation of and, where appropriate, replacing senior management;
- overseeing the development and implementation of a shareholder and stakeholder communications policy for the Group; and
- reviewing the adequacy and integrity of the Group's internal control systems and management information systems; including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

Beyond the matters reserved for the Board's decision, the Board delegates the authority to implement the Group's strategies and managing the operations of the Group to the Group Managing Director, Group Deputy Managing Director and the Executive Directors who are supported by a capable Management team. The Board has oversight on matters delegated to the Management whereby updates are reported at least on a quarterly basis or as and when required. Non-executive Directors play key supporting roles, contributing knowledge and experience towards the formulation of policies and in the decision-making process. They could provide the relevant checks and balances, focusing on shareholders' and other stakeholders' interests and ensuring that high standards of corporate governance are applied.

Where appropriate, the Board delegates matters to the Board Committees, namely the Audit Committee ('AC') and Nomination & Remuneration Committee ('NRC') to examine specific matters within their respective terms of reference as approved by the Board. Although specific powers are delegated to the Board Committees, the Board keeps itself updated of the key issues and decisions made by each Board Committee through the reports by the Chairmen of the Board Committees at Board meetings. The ultimate responsibility for decision-making lies with the Board.

Apart from formulating corporate strategies to enhance the shareholders' value, the Board puts its effort to drive and promote sustainable business practices covering economic, environmental and social aspects with a view to support the long-term viability of the Group, the details of which are disclosed in the Sustainability Statement of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board Charter which sets out the functions, roles and responsibilities of the Board as well as the various internal processes and principles governing the Board has been adopted to guide the Board to discharge its roles and responsibilities effectively. The Board Charter also serves as a source of reference and primary induction literature, providing insights to new Board members.

The Board reviews the Board Charter periodically to keep it up to date with changes in regulations and best practices to ensure its effectiveness and relevance to the Board's objectives. The Board Charter was reviewed and revised on 30 June 2020, following the implementation of new corporate liability provision under Section 17A of the Malaysian Anti-Corruption Commission Act 2009. The Board Charter is available for reference at the Company's website at www.ireka.com.my.

The Chairman and the Managing Director

There is a clear division of responsibilities between the Chairman and the Group Managing Director to ensure that there is a balance of power and authority. The Chairman is responsible for looking after the best interest of all shareholders by instilling good corporate governance practices, leadership and effectiveness of the board, whilst the Group Managing Director, with the assistance of the Group Deputy Managing Director, has the overall responsibilities for the execution of the Group's strategies in line with the Board's direction, oversees the business operations and drives the Group's businesses and performance towards achieving the Group's vision and goals.

Company Secretary

The Board is supported by a qualified Company Secretary who is experienced, competent and knowledgeable on the laws and regulations issued by the regulatory authorities. The Company Secretary plays an important role in ensuring that all governance matters and Board procedures are adhered to and that applicable laws and regulations are complied with.

The Board is regularly updated and advised by the Company Secretary on new statutory and regulatory requirements, and the implications on the Group and the Directors in relation to their duties and responsibilities.

Board Meetings and Supply of Information

An annual corporate meeting calendar is prepared in advance and circulated to all Board members before the beginning of every year which provides the scheduled meetings dates for the Board, Board Committees and the Annual General Meeting to be organised by the Company to facilitate the planning of Directors' time. The Board is satisfied with the amount of time committed by the Directors in discharging their duties and roles as Directors of the Company. All the Directors of the Company complied with the Listing Requirements on the number of directorships held in the public listed companies, which are not more than five (5) directorships.

The Board meets at least five (5) times a year, with additional meetings being held as and when necessary. In the interval between board meetings, Board decisions for urgent matters are obtained via circular resolutions, to which are attached sufficient information required for an informed decision. In view of the COVID-19 pandemic and the implementation of the Movement Control Order (MCO) by the Malaysian government to curb the spread of COVID-19, the Board and Board Committees meetings were held virtually via videoconferencing facilities. During the year ended 31 March 2021, a total of twelve (12) Board meetings were held and their respective attendance are as follows:

Directors	No. of Meetings Attended
Datuk Lai Siew Wah (1)	12/12
Datuk Lai Voon Hon (2)	11/12
Lai Voon Huey, Monica	12/12
Chan Chee Kian	12/12

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Directors	No. of Meetings Attended
Tan Thiam Chai	12/12
Datuk Lai Jaat Kong @ Lai Foot Kong (1)	11/12
Hoe Kah Soon	12/12
Dato' Azmi bin Abdullah	12/12
Lau Mun Cheong (1)	12/12
Mohd Hasnul Ismar bin Mohd Ismail (3)	–
Chow Sung Chek Simon (3)	–
Shahruladeri bin Mohamad Adnan (3)	–
Tan Sri Dato' Mohd Ismail bin Che Rus (4)	–

(1) *Resigned on 5 July 2021*
(2) *Resigned on 19 August 2021*
(3) *Appointed on 5 July 2021*
(4) *Appointed on 19 August 2021*

All the Directors have complied with the minimum requirement of at least 50% on attendance of Board meetings during the financial year as stipulated in the Listing Requirements of Bursa Malaysia.

All Board members are provided with agenda and board papers containing relevant documents and information around seven (7) days in advance of the board meetings to ensure the Board members have reasonable time to review and consider the issues before participating in discussions and deliberations in Board meetings. The Board papers include minutes of the previous meetings, updates on financial, operational and corporate developments of the Group. All Directors have the right and duty to make further enquiries where they consider necessary. Members of the senior management team are invited to provide insight and to furnish clarification on issues that may be raised by the Board. At the quarterly board meetings, the Board reviews and discusses the business performance of the Group. All proceedings of the Board meetings covering the deliberations of issues and the conclusions are recorded in the minutes and later confirmed by the Board. Where a potential conflict of interest may arise, it is mandatory practice for the Director concerned to declare his interest and abstain from the decision-making process.

The Board, whether as a full Board or in their individual capacity, has access to all information pertaining to the Group's business affairs and right to seek independent professional advice, if necessary, at the Group's expense, in furtherance their duties. Any request for independent professional advice from external consultants shall be raised for the consideration and consent of the Chairman. Upon his consent of the request, the Chairman shall authorise a Director or the Board to source for the advice of a suitable external consultant, based on the requirements of the Board.

In addition, all Directors have access to the advice and services of the Company Secretary, who is responsible for ensuring that the Board meeting procedures, applicable rules and regulations are adhered to. The Directors may also seek advice from the management on issues under their respective purview.

Code of Ethics and Conduct

The Board observes the Code of Ethics for Company Directors issued by the Companies Commission of Malaysia ('Code of Ethics'). The Code of Ethics sets out the standard of conduct and ethical behaviour for the Board, based on the principles of sincerity, integrity, responsibility and corporate social responsibility. To inculcate good ethical conduct, the Group has established a Code of Conduct for employees which is encapsulated in the Group's Human Resource Policies. All Directors and employees are expected to always behave ethically and professionally always and thereby protect and promote the reputation and performance of the Company. The Group communicates its Code of Conduct to all Directors and employees upon their appointment/employment and is deemed to be part of the Terms and Conditions of Service.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Anti-Bribery and Anti-Corruption Policy

In line with the implementation of new corporate liability provision under Section 17A of the Malaysian Anti-Corruption Commission Act 2009 effective 1 June 2020, the Board had on 28 May 2020 reviewed, approved and adopted the Anti-Bribery and Anti-Corruption Policy ('ABAC Policy'). The ABAC Policy serves to provide guidance on how to prevent, deal with and combat bribery and corrupt activities and issues that may arise in the course of business. The ABAC Policy is applicable to all employees, directors and any person who performs services for and on behalf of the Group, which includes contractors, sub-contractors, consultants, suppliers, agents, intermediaries and representatives of the Group. The ABAC Policy is available on the Company's website (www.ireka.com.my).

Whistleblowing Policy

The Company adopted the Whistleblowing Policy on 28 May 2020, which provides an avenue and mechanism for any individual to report concerns they may have on any suspected and/or known improper conducts, wrongdoings, corruption, fraud and/or abuse in accordance with the procedures as provided under the said policy. The Whistleblowing Policy is available on the Company's website (www.ireka.com.my), for reference and for ease of access for reporting by employees and associates of the Group.

II. BOARD COMPOSITION

During the financial year under review, the Board has nine (9) members comprising the Executive Chairman, three (3) Independent Non-executive Directors ('INED'), four (4) Executive Directors and the Non-independent Non-executive Director.

On 5 July 2021, the Company announced its board changes as follows:-

Appointment

a. Mohd Hasnul Ismar bin Mohd Ismail *(Group Managing Director)*
b. Chow Sung Chek Simon *(Executive Director)*
c. Shahruladeri bin Mohamad Adnan *(Independent Non-executive Director)*

Resignation

a. Datuk Lai Siew Wah *(Executive Chairman)*
b. Datuk Lai Jaat Kong @ Lai Foot Kong *(Non-independent Non-executive Director)*
c. Lau Mun Cheong *(Independent Non-executive Director)*

Redesignation

a. Datuk Lai Voon Hon was redesignated as Non-independent Non-executive Chairman ("NINEC") of the Company after he relinquished his position as the Group Managing Director.

On 19 August 2021, the Company further announced that Datuk Lai Voon Hon resigned as NINEC of the Company and Tan Sri Dato' Mohd Ismail bin Che Rus was appointed as NINEC of the Company with immediate effect.

Mr. Hoe Kah Soon, the Independent Non-executive Director of the Company will retire by rotation as a director in accordance with Clause 102 of the Company's Constitution. As he will not be seeking re-election, Mr. Hoe Kah Soon will retire at the conclusion of 45th Annual General Meeting.

The Board currently comprises nine (9) members. The current composition complies with the Listing Requirements which requires at least 1/3 of the Board members to be independent directors.

The Board comprises members of calibre from a diverse blend of professional backgrounds ranging from business, engineering, management, economic, finance and accounting experience. The Board views its current composition encompasses right mix of skills and strength in qualities which are relevant and enable the Board to discharge its responsibilities in an effective and competent manner. The profiles of these Directors are provided on pages 12 to 16 of the Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board takes cognisance that the Code recommends that at least half of the board are independent directors. Whilst the Board currently comprising one-third (1/3) independent directors, the Board is satisfied that the current number of independent directors is sufficient to ensure balance of power and authority on the Board.

During Datuk Lai Siew Wah's tenure as the Executive Chairman of the Company, he has shown great commitment and played an integral role in stewardship apart from ensuring board effectiveness. He has acted in the best interest of the Company and the Board is satisfied that there is no undue influence involved in all related party transactions. All related party transactions and the shareholders' mandate on the recurrent related party transactions were independently assessed by the AC to ensure compliance with the Listing Requirements of Bursa Malaysia. The Chairman encourages open discussion and free expression of opinions and suggestions at board meetings. Every resolution tabled will be deliberated and all views from the directors are considered before a decision is made by the Board.

During the financial year under review, the Board and the NRC had assessed the independence of the independent directors and satisfied with the level of independence demonstrated by the independent directors in which they could continue to bring objective and independent judgement in board decision making.

The Board is aware of the importance of boardroom diversity to facilitate good decision-making as this enables different insights and perspectives to be harnessed. This diversity criteria includes gender, ethnicity and age. However, the Board is of the view that the selection criteria of a director, based on the candidates' competency, skills, character, knowledge and experience should remain a priority. Nevertheless, the Board is actively exploring avenues to improve board diversity including gender, ethnicity and age. When given the opportunity of meeting the suitable female candidates, the Board through its NRC will consider gender diversity as part of its future selection process. Presently, Lai Voon Huey, Monica is the only female Director in the Board of nine (9) Directors.

In exercising objectivity in the selection process of directors, the NRC plans to have access to a wide selection of candidates such as referrals from Directors, business associates and management as well as utilising sources from industry, professional associates, independent search firms and registry of directors.

The Group has no immediate plan to implement a diversity policy for its workforce in terms of gender, ethnicity and age as it is of the view that employment is dependent on each candidate's skills, experience, core competencies and other qualities, regardless of gender, ethnicity and age. However, the Group is committed to diversify and apply equal employment opportunity approach in promoting diversity in the Group.

Tenure of Independent Directors

Independent directors are tasked to ensure that there is a proper check and balance on the Board as they can provide unbiased and independent views in Board deliberations and decision-making of the Board, taking into account the interests of the Group and the minority shareholders.

The Board noted the recommendation of the Code on the tenure of independent directors should not exceed a cumulative term limit of nine (9) years. If the Board intends to retain an independent director beyond nine (9) years, it should justify and seek annual shareholders' approval. If the Board continues to retain the independent director after the twelfth (12^{th}) year, the Board should seek annual shareholders' approval through a two-tier voting process. During the financial year ended 31 March 2021, no independent director had served on the Board for more than nine (9) years from the date of his first appointment.

Appointments to the Board

All Board appointments are approved by the Board, upon recommendation of the NRC. The NRC is made up exclusively of independent directors as follows:-

1. Dato' Azmi bin Abdullah - *Chairman*
2. Hoe Kah Soon
3. Shahruladeri bin Mohamad Adnan *(appointed on 1 August 2021)*
4. Lau Mun Cheong *(resigned on 5 July 2021)*

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Chairman of the NRC is a Senior INED. The NRC has written terms of reference dealing with its authority, duties and responsibilities and are available on the Company's website at www.ireka.com.my.

The NRC is responsible for identifying, recommending, and recruiting candidates for directorships and also to fill the seats of Board Committees. For new appointments to the Board, the NRC shall meet with the shortlisted candidates to assess their suitability before formally considering and recommending them for appointment to the Board. In assessing the suitability of the candidates, the NRC shall consider the candidates' character, experiences, competencies, integrity, time commitment and other qualities which the candidates would contribute to the overall desired composition of the Board. Based on the recommendation of the NRC, the Board will evaluate and decide on the appointment of the proposed candidates.

In addition, an assessment mechanism is in place to assess on an annual basis, the effectiveness of the Board as a whole and the Board Committees, and the contribution of each Director. The Board, through the NRC, reviews periodically the succession plans of the Board, its required mix of skills, experience, and other qualities, including core competencies, which Non-executive Directors should bring to the Board, and make recommendations to the Board regarding any changes. The assessment for the financial year ended 31 March 2021 indicated that there was a good balance in the composition of the Board and the members of the Board possessed the sufficient skills and experience in discharging their duties and responsibilities and the level of independence demonstrated by the INEDs was satisfactory with the ability to act in the best interest of the Company. All Directors retiring pursuant to the Company's Constitution and standing for election and re-election are assessed by the NRC before they are recommended for election and re-election by shareholders at the AGM. All assessments and evaluations carried out by the NRC in the discharge of all its functions are properly documented.

Election and Re-election of Directors

In accordance with the Company's Constitution, an election of Directors shall take place each year and one-third (1/3) of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest one-third (1/3), shall retire from office provided always that all Directors shall retire from office at least once in every three years, but shall be eligible for re-election. In addition, all Directors who are appointed by the Board either to fill a casual vacancy or as an addition to the existing Directors shall hold office only until the next following annual general meeting and shall be eligible for election. This provides an opportunity for the shareholders to renew their mandates for the said Directors to continue to serve on the Board.

The election and re-election of each director will be voted on separately. The Directors who are seeking election and re-election at the forthcoming AGM are stated in the notice of the 45th AGM. The Board was satisfied with the performance of these Directors and recommended their proposed re-election to be tabled for shareholders' approval at the forthcoming AGM. To assist the shareholders in their decision, information on their personal profiles is provided on pages 12 to 16 of the Annual Report.

Directors' Training

All the Directors, apart from attending the Mandatory Accreditation Programme **("MAP")** as prescribed by Bursa Malaysia, have also attended other training programmes and seminars organised by the relevant regulatory authorities and professional bodies to broaden their knowledge and to keep abreast with recent developments of the business environment, relevant changes in laws and regulations. The Directors are mindful that they should continue to update their skills and knowledge to sustain their active participation in board deliberations and maximise their effectiveness during their tenure. In addition, the Company Secretary updated the Directors of the changes to the Listing Requirements and key corporate governance developments from time to time.

Newly appointed Directors will receive induction on joining the Board which include briefings by the Board members with the necessary information to assist them in understanding the operations of the Company, current issues and corporate strategies, as well as the structure and management of the Company. The three (3) new Directors of the Company who were appointed on 5 July 2021 namely Mohd Hasnul Ismar bin Mohd Ismail, Chow Sung Chek Simon and Shahruladeri bin Mohamad Adnan will be attending the MAP within four (4) months from the date of appointment.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The training programmes and seminars attended by the Directors during the financial year ended 31 March 2021 are as follows:-

Directors	Title of Course
Datuk Lai Siew Wah *(resigned on 5 July 2021)*	• Awareness Training for Corporate and Personal Liability under Section 17A of MACC Act 2009
Datuk Lai Voon Hon *(resigned on 19 August 2021)*	• Awareness Training for Corporate and Personal Liability under Section 17A of MACC Act 2009 • Powering Malaysia's Growth Engines • PAM ONLINE SERIES SEASON 2 (12) : IN CONVERSATION WITH PAM EPISODE 3 - Impact on Building Construction Time & Cost Arising From MCO & Covid 19 • YPO Executive Education Program August 2020: The Evolving Leader: From the Boardroom to the Frontlines • The Secret Weapon for Challenging Times: The Team at the Top • Imagining the Next Global Economy: Scenarios for Recovery and Transformation • Five Rules for Leading in the Digital World • The Digital Transformation Ecosystem • Cultivating Creativity in Your Organization • The Tactics, Strategies, and Opportunities of Analog to Digital Transition • Invest Malaysia 2020: Advancing Malaysia - 5G and Industry 4.0
Lai Voon Huey, Monica	• ICAEW Webinar : Regional Economic Forum • Discover Your Agility with Brad Stevens • Awareness Training for Corporate and Personal Liability under Section 17A of MACC Act 2009 • Invest Malaysia 2020: Powering Malaysia's Growth Engines • Anti-Bribery & Anti-Corruption Risk Assessment workshop • The Trend: US Elections 2020 & Potential Market Reactions • 2021 Investment Outlook Southeast Asia: Recovering and Rebuilding • Bank of Singapore - Beyond 2021: The Great Reset • UBS Live - Singapore: Investing in the Year of the Ox • Invitation to HSBC Private Banking Women's Forum 2021
Chan Chee Kian	• Navigating through the New Normal of a Post-Pandemic World • Awareness Training for Corporate and Personal Liability under Section 17A of MACC Act 2009 • Invest Malaysia 2020: Powering Malaysia's Growth Engines • Anti-Bribery & Anti-Corruption Risk Assessment workshop • Invest Malaysia 2020: Advancing Malaysia - 5G and Industry 4.0
Tan Thiam Chai	• Corporate and Personal Liability under Section 17A of MACC Act 2009 • Anti-Bribery & Anti-Corruption Risk Assessment workshop
Datuk Lai Jaat Kong @ Lai Foot Kong *(resigned on 5 July 2021)*	• IFAWPCA Meeting with International Stakeholders Agencies, with FIDIC

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Directors	Title of Course
Hoe Kah Soon	• UM Transformation Lab • Knowledge Integration: The Unstoppable Trend in the New Century • UM Action Lab – Governance and New Business Model • Business Process Reengineering
Dato' Azmi bin Abdullah	• Risk Oversight Practice • Financial and Technical Evaluation • Awareness Session on Section 17A MACC Act 2009 • Directors Guide to Crisis Management and Leadership During Crisis • Risk Appetite, Tolerance and Board Oversight
Lau Mun Cheong *(resigned on 5 July 2021)*	• Mandatory Accreditation Programme for Directors of Public Listed Companies • Corporate Liability Provision of the MACC Act - An Overview • Fraud Risk Management workshop
Mohd Hasnul Ismar bin Mohd Ismail *(appointed on 5 July 2021)*	–
Chow Sung Chek Simon *(appointed on 5 July 2021)*	–
Shahruladeri bin Mohamad Adnan *(appointed on 5 July 2021)*	–
Tan Sri Dato' Mohd Ismail bin Che Rus *(appointed on 19 August 2021)*	–

III. REMUNERATION

The Board has put in place a remuneration policy for Directors to ensure it is sufficient to attract, retain and motivate the Directors needed to manage the Group successfully. In the case of Executive Directors, in addition to directors' fee, their remuneration packages are structured to link rewards to corporate and individual performance and to commensurate with their experience, skills and responsibilities arising from their respective executive/ management positions in the Group as well as benchmarking against industry standards. In the case of Non-executive Directors, the level of remuneration reflects the experience and level of responsibilities undertaken by a particular Non-executive Directors concerned. Non-executive Directors will be paid directors' fee and board committees' fees based on their responsibilities in Board committees. In addition, all Directors are indemnified under a Directors' and Officers' Liability Insurance against any liability incurred by them in the discharge of their duties.

The NRC consists exclusively of independent directors as follows:-

1. Dato' Azmi bin Abdullah - *Chairman*
2. Hoe Kah Soon
3. Shahruladeri bin Mohamad Adnan *(appointed on 1 August 2021)*
4. Lau Mun Cheong *(resigned on 5 July 2021)*

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The NRC is responsible for recommending the remuneration packages of the Directors for consideration and approval by the Board. The Directors play no part in decision on their own remuneration. The Company reimburses reasonable expenses incurred by these Directors in the course of their duties as Directors. The directors' fees and benefits payable to the Directors are recommended by the Board and approved by the shareholders at the AGM.

The NRC reviewed the remuneration of the executive board before recommending the same for the Board's approval. The Directors concerned were abstained from deliberation and voting on their own remuneration.

The Company has policy to determine the remuneration of the senior management which shall be commensurate with their experience, skills and education as well as benchmarking against industry standards. The top five (5) senior management comprises the five (5) Executive Directors including the Executive Chairman and the details of their respective remuneration were as disclosed below.

The details of the remuneration of the Directors during the financial year ended 31 March 2021 (received from the Company and on a group basis) are as follows:

Name of Directors	Salaries (RM)	Fees (RM)	Bonuses & Incentives (RM)	Defined Contribution Plan (RM)	Benefits-In-Kind (RM)	Total (RM)
Executive Directors						
Datuk Lai Siew Wah	662,256	50,000	–	–	22,700	734,956
Datuk Lai Voon Hon	622,440	40,000	–	74,694	22,700	759,834
Lai Voon Huey, Monica	558,600	40,000	–	67,032	24,600	690,232
Chan Chee Kian	409,500	40,000	–	49,140	24,600	523,240
Tan Thiam Chai	–	40,000	–	–	–	40,000
Non-executive Directors						
Datuk Lai Jaat Kong @ Lai Foot Kong	–	40,000	–	–	–	40,000
Hoe Kah Soon	–	50,000	–	–	–	50,000
Dato' Azmi bin Abdullah	–	48,000	–	–	–	48,000
Lau Mun Cheong	–	48,000	–	–	–	48,000
Received from the Company	2,252,796	396,000	–	190,866	94,600	2,934,262
Executive Director						
Tan Thiam Chai	384,200	–	–	73,002	24,600	481,802
Received from a subsidiary	384,200	–	–	73,002	24,600	481,802
Total Group	**2,636,996**	**396,000**	**–**	**263,868**	**119,200**	**3,416,064**

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AUDIT COMMITTEE

The Board aims to present a balanced, clear and meaningful assessment of the Group's position and prospect in all their reports to the shareholders, investors and regulatory authorities. This assessment is primarily provided in the Annual Report through the Chairman's Statement, Management Discussion & Analysis, annual financial statements and quarterly announcement of results through Bursa LINK. The AC assists the Board in overseeing the financial reporting of the Group by reviewing the quarterly financial results and annual audited financial statements to ensure that they are drawn up in accordance with the applicable financial reporting standards and the requirements of the Companies Act 2016 prior to recommending them for approval by the Board and subsequent issuance to the shareholders.

The AC comprises three (3) INEDs. It is chaired by Hoe Kah Soon and he is not the Chairman of the Board. All the AC members have sound knowledge on financial and accounting matters and with the knowledge gained through extensive service on the boards of other companies, have enabled them to discharge their duties and responsibilities efficiently. By attending the continuous professional development programmes has enabled them to keep abreast with relevant developments in accounting and auditing standards, practices and rules.

The NRC assessed the performance of the AC and its members through an annual evaluation. Based on the outcome of the evaluation for the financial year under review, both the NRC and the Board were satisfied with the AC's performance. The information on the composition, attendance record and summary of activities of the AC is presented in the Audit Committee Report of this Annual Report.

Assessment of Suitability and Independence of External Auditors

A transparent and professional relationship with the external auditors to enable them to independently report to shareholders in accordance with the statutory and professional requirement is established through the AC. The role of the AC members in relation to the external auditors is stated in the Audit Committee Report of this Annual Report.

The AC assesses the performance, competency and professionalism demonstrated by the external auditors during the year. Prior to making a recommendation on the continuance of the incumbent external auditors, the AC performs an annual assessment on the objectivity, qualifications, expertise, resources and effectiveness of the external auditors. Any provision of non-audit services by the external auditors or its affiliate companies will be reviewed to ascertain whether such provision of services would impair the auditor's independence or objectivity. The AC also obtained written confirmation from the external auditors that they are and have been, independent throughout the conduct of the audit engagement in accordance with the terms and the relevant professional and regulatory requirements.

Having considered all the above criteria, the AC is satisfied with the performance of the external auditors and hence recommended to the Board for Crowe Malaysia PLT to be re-appointed by shareholders as external auditors of the Company for the financial year ending 31 March 2022 at the forthcoming AGM.

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board acknowledges its overall responsibility for the Group's system of risk management and internal control, which includes the establishment of an appropriate control environment and framework, reviewing the integrity, effectiveness and adequacy of these systems to ensure that the Group's assets and the shareholders' interests are safeguarded.

The Company has in place an ongoing process for identifying, evaluating and managing significant risks that may affect the achievement of the business objectives of the Group. The AC is delegated with the oversight responsibility of risk management. The Board, through its AC, reviews the key risks identified to ensure proper management and mitigation of risks within its control.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Group's Internal Audit function, which is outsourced to a professional service firm, is an integral part of the assurance mechanism in ensuring that the Group's system of internal control is adequate and effective. The Internal Audit function reports directly to the AC.

The Statement on Risk Management and Internal Control which provides an overview of the state of internal control within the Group is set out in the Company's Annual Report 2021.

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

I. COMMUNICATION WITH STAKEHOLDERS

The Board values regular communications with shareholders and investors. These include various announcements made during the year, the timely release of annual reports, circulars to shareholders, press releases, announcements of quarterly and annual financial results, which provide shareholders with an overview of the Group's business and financial performances. The Executive Directors hold press conference with journalists immediately after general meetings. The Executive Directors together with the Management may also hold meetings and interviews with investors and journalists to present and update on the Group's strategy, performance, major developments and launches of property developments.

In addition, the Group has a website, www.ireka.com.my that shareholders and investors can access for up-to-date information. To maintain a high level of transparency and to effectively address any issues or concerns, the Group has a dedicated electronic mail, i.e., enquiry@ireka.com.my to which stakeholders can direct their queries or concerns.

The Board has identified Dato' Azmi bin Abdullah as the Senior Independent Non-executive Director to whom concerns relating to the Company may be conveyed by shareholders and stakeholders.

II. CONDUCT OF GENERAL MEETINGS

The Board recognises the AGM as a principal forum for dialogue and interaction with shareholders. Hence, venue of the meeting is set at a place which is easily accessible to shareholders and notice of AGM of at least 28 days prior to the date of the meeting is given to the shareholders to allow sufficient time for the shareholders to consider the resolutions that will be discussed and decided at the AGM.

At the AGM, the Board presents an overview of the performance of businesses in the Group to keep the shareholders informed and updated on current developments of the Group. All shareholders are encouraged to participate in the question-and-answer sessions. Every opportunity is given to the shareholders to ask questions and seek clarification on the business and affairs of the Company and the Group. All Directors will attend general meetings unless unforeseen circumstances preclude them from attending the meetings. All Directors of the Company attended the previous AGM held on 29 September 2020.

In addition to the physical AGM held on 29 September 2020, the Company has on 27 November 2020, conducted its fully virtual Extraordinary General Meeting ("EGM") through live streaming using the Remote Participation and Voting ("RPV") facilities, in view of the Covid-19 pandemic and Conditional Movement Control Order implemented by the Government of Malaysia. This was the first virtual meeting conducted by the Company which allowed the remote participation and online voting by all shareholders. The said EGM was broadcasted live from the Company's registered office.

All the resolutions set out in the notice of general meeting shall be voted by poll. Votes of any shareholders who are absent from the general meeting are cast via the proxies. An independent scrutineer shall be appointed to verify the results of the poll. The outcome of all resolutions proposed at the general meeting is announced via Bursa LINK showing the number of votes cast for and against each resolution at the end of the meeting day. The extract of minutes of general meetings are also made available to shareholders and public for reference at www.ireka.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

KEY FOCUS AREAS AND FUTURE PRIORITIES

Moving forward, the Board will continue to improve the Company's corporate governance practices by taking steps to address the current departures from the practices stipulated in the Code and instill a risk and governance awareness culture and mindset throughout the Group in the best interests of all stakeholders. The Board has identified the following forward-looking action items that will help to achieve its corporate governance objectives:-

- To improve the gender diversity representation on the Board and leadership positions.

- To ensure a ready pipeline of talent with right competencies and leadership potential to ensure succession coverage and for future talent development.

This Corporate Governance Overview Statement and the Corporate Governance Report have been approved by the Board of Directors at the Board meeting held on 25 August 2021.

ADDITIONAL COMPLIANCE INFORMATION

(PURSUANT TO PARAGRAPH 9.25 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD)

1. Audit and Non-Audit Fees

The amount of audit and non-audit fees paid or payable for the services rendered to the Company and/or the Group by its external auditors, Crowe Malaysia PLT or their affiliated companies for the financial year ended 31 March 2021 are as follows:

	Group (RM)	Company (RM)
Audit fees	376,669	105,000
Non-audit fees*	5,000	5,000

* The non-audit fees paid or payable for the services rendered to the Company and/or the Group by Crowe Malaysia PLT consist of review of the Statement on Risk Management and Internal Control.

2. Material Contracts

Saved as disclosed below, there were no material contracts entered into by the Company and its subsidiaries (not being contracts entered into in the ordinary course of business) which involved the interests of Directors and/or major shareholders, either still subsisting at the end of the financial year ended 31 March 2021 or entered into since the end of the previous financial year.

On 15 July 2020, Ireka Corporation Berhad (“Ireka”) entered into a conditional Share Buyback Agreement with Aseana Properties Limited (“ASPL”). In accordance with the Share Buyback Agreement, Ireka agreed to sell and ASPL agreed to purchase all the 45,837,504 ordinary shares of ASPL held by Ireka in consideration for an equivalent number of ordinary shares in a company to be set up to hold mainly The RuMa Hotel and Residences (“The RuMa”) in Kuala Lumpur and a parcel of land in Kota Kinabalu, both located in Malaysia. Ireka also agreed with ASPL that adjustments should be made, where appropriate, to reflect the settlement of potential claims that ASPL might have against Ireka Group in connection with Ireka Group’s projects, including the settlement of amounts owing by Ireka Group to ASPL relating to the development and construction of The RuMa. This demerger transaction was approved by the shareholders of ASPL and Ireka on 18 August 2020 and 27 November 2020 respectively; and pending ASPL obtaining consents from certain of its financiers.

Pursuant thereto, UOB Kay Hian Securities (M) Sdn Bhd announced on behalf of the Board of Directors of Ireka, that Ireka and ASPL had on 10 February 2021 mutually agreed to terminate the Share Buyback Agreement due to non-fulfilment of certain conditions precedent, namely, the failure to secure the necessary consents from certain ASPL’s financiers.

Datuk Lai Voon Hon, Lai Voon Huey, Monica and Chan Chee Kian were deemed interested in the contract by virtue of their interest in Legacy Essence Limited and Pinnacle Capital Holdings Inc, both are the shareholders of ASPL.

3. Recurrent Related Party Transactions (‘RRPT’)

The Company had at the 44th Annual General Meeting (‘AGM’) of the Company held on 29 September 2020 obtained shareholders’ mandate for the Group to enter into RRPT, which are necessary for its day-to-day operations and are in the ordinary course of business with the related parties. The shareholders’ mandate shall lapse at the conclusion of the Company’s forthcoming AGM. The Company intends to seek a renewal of the shareholders’ mandate for the RRPT at the Company’s forthcoming AGM.

The details of the renewal of the shareholders’ mandate to be sought are set out in the Circular to Shareholders dated 30 August 2021.

The details of the RRPTs transacted during the financial year ended 31 March 2021 are disclosed in Note 45 to the financial statements contained in this Annual Report.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Pursuant to paragraph 15.26(b) of the Bursa Malaysia Securities Berhad's ("Bursa Malaysia") Main Market Listing Requirements, the Board of Directors of Ireka Corporation Berhad ("the Group") is pleased to present the Statement on Risk Management and Internal Controls of the Group for the financial year ended 31 March 2021. This Statement has been prepared in accordance with the above requirements and as guided by the Statement on Risk Management & Internal Control: Guidelines for Directors of Listed Issuers.

BOARD RESPONSIBILITY

The Board of Directors ("Board") recognises the importance of a sound system of internal control and risk management framework to good corporate governance. The Board acknowledges its responsibility in maintaining a sound and effective risk management control system to safeguard shareholders' interest and the Group's assets. This includes the establishment of an appropriate control environment and framework, reviewing the integrity, effectiveness and adequacy of these systems to manage the key risks identified.

In view of the limitations that are inherent in the systems of risk management and internal controls, the Board recognises that the systems is designed to manage risks that may impede the achievement of the Group's business objectives rather than to eliminate these risks. The system can only provide reasonable but not absolute assurance against material misstatement, loss or fraud.

The Group's risk management process and internal control systems do not apply to associate companies and jointly controlled entities where the Group does not have full management control. The Group's interests in these jointly controlled entities are closely monitored through periodic receipt of their management accounts and Board's representation in these companies.

The Board is of the view that the system of risk management and internal controls in place for the year under review and up to the date of issuance of this Statement, is appropriate to business operations and that risks taken are at a reasonable level within the operations of the Group. The Board has received assurance from the former Group Managing Director and Chief Financial Officer, the current Deputy Managing Director who is primarily responsible for the financial management of the Group, that the Group's system of risk management and internal controls is operating adequately and effectively, in all material aspects.

RISK MANAGEMENT

The Board recognises that an effective risk management practices is essential for the Group in pursuit of its corporate objectives, in today's challenging business environment. The Chief Executive Officer ('CEO') of subsidiary companies, key management staff and divisional heads are delegated with the responsibilities for identification and management of risks in their day-to-day operations within defined parameters and standards. They are accountable for all risks and internal controls assumed under their respective areas of responsibility; and responsible for creating a risk-awareness culture to ensure risk management and internal control principles are embedded in operational processes, project evaluation and monitoring. The deliberation of risks and related mitigating responses are carried out at the divisional operation meetings and duly recorded in the risk sheets for control and monitoring by the respective CEO.

The risk identification process involves reviewing and identifying the possible risk exposure arising from changes in both external business environment and internal operating conditions. The risk measurement guidelines comprised quantitative and qualitative measures of risk consequences based on the risk likelihood rating and risk impact rating. Risk Profile consists of principal business risks which are identified and documented in the Risks Register. The Risks Register includes the description of risk, consequence if risk were to crystalize, the likelihood and impact of the risk to the Group. The Group Risk Management Reports were tabled to the Audit Committee on 30 November 2020 and 29 June 2021 for review and further reporting to the Board. The Audit Committee also reviewed and approved the Risk Management Framework and Policy & Procedure on 24 March 2021.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Executive Directors and CEO of the respective business unit ensure all key risks affecting the business operation and achievement of their objectives are considered, and incorporated into their business plan and strategy. The Board is of the view that it is an ongoing process for identifying, evaluating, monitoring and managing the key risks in their daily operation activities for the year under review and up to the date of issuance of this Statement.

The Group has identified, evaluated and put in place measures to mitigate the principal risks faced by the business operations.

Key Risk	Mitigation Strategy
Competitive Market	• For construction, to participate and tender for projects which the Group has established and proven experience and expertise, as well as competitive edge. • Construction Division to support the Urban Transportation Division in its initiatives/ projects which the Group now venturing into. • To revise sales and pricing strategies for property projects to cater for changing market requirements and to offer innovative products. • To establish and continue to strengthen relationship with suppliers and customers.
Economic impact of on-going Covid-19 Pandemic	• Continue to implement various measures/strategies to minimize the impact of Covid-19 Pandemic and movement control orders ("MCOs") on the Group. These include the right sizing of the work force, and putting on hold expansionary plans. • The Group is confident that business condition will improve on the back of the national vaccination programme and a series of economic assistance packages announced by the Government to provide relief to businesses and households, and is optimistic with the Group's ability to weather the challenges.
Delay in project completion	• Implementation of technology to improve efficiencies and productivity and to use industrialised building system and formworks for construction. • Have in place project management plan/ tool and quality management system. • Established policy and procedures in selection of consultants to ensure only qualified and competent contractors and consultants are selected. • Close monitoring of work progress on site and of contractor performance. • To implement "catch-up" construction work programme to reduce days of delay caused by MCOs.
Inadequate cashflow	• To raise funds via equity or capital markets. • To source for bank loans to support new projects. • To dispose equity interest in subsidiary companies.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL AUDIT FUNCTION

The Group's Internal Audit Function assists the Board and Audit Committee ('AC') by providing an independent assessment of the adequacy and effectiveness of the Group's risk management and internal control systems. Further details of the Internal Audit Function are set out in the Audit Committee Report on pages 49 to 51 of this Annual Report.

Other Key Elements of Internal Control

The other key elements of the Group's internal control systems are described as follows:

- clearly defined delegation of responsibilities to committees of the Board and to Management of operating units;

- clearly documented internal procedures in respect of operational and financial processes as set out in the ISO 9001:2015 and ISO 9001:2015 Quality Management System Documents and the Financial Processes Manual;

- regular and comprehensive information provided to the Board and AC covering financial performance and key business indicators.

- monitoring of results against budget, with major variances being followed up and management actions taken, where necessary during respective Key Performance Index project meetings, management meetings and Board meetings; and

- regular visits to operating units by Executive Directors, CEOs and Senior Management; compliance with the Group's rules and regulations and employee conduct as set out in the Group's Human Resource Policies.

Review of Statement

Pursuant to Paragraph 15.23 of the Listing Requirements, the External Auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in this Annual Report. Their reviews were performed in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagement Other than Audits or Reviews of Historical Financial Information and Audit and Assurance Practice Guide 3: Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report ("AAPG 3") issued by the Malaysian Institute of Accountants. Based on their reviews, nothing has come to their attention that causes them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosures required by paragraph 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers and Practices 9.1 and 9.2 of the Malaysian Code on Corporate Governance 2017 to be set out, nor is factually inaccurate.

Conclusion

There have been no significant weaknesses noted during the year which have resulted in any material losses. The Board is of the view that the Group's system of risk management and internal controls is adequate and effective to safeguard shareholders' investments and the Group's assets. However, the Board is also cognizant of the fact that the Group's system of risk management and internal controls practices must continuously evolve to meet the changing and challenging business environment. Therefore, the Board shall continue to take appropriate and necessary measures and implement the recommendations of the internal auditors to further enhance the existing system of risk management and internal controls.

This Statement on Risk Management and Internal Control has been approved by the Board of Directors at the Board meeting held on 25 August 2021.

AUDIT COMMITTEE REPORT

MEMBERS OF THE AUDIT COMMITTEE

During the financial year under review, the Audit Committee ("AC") comprises the following members:

1) Hoe Kah Soon
   Chairman/Independent Non-executive Director

2) Dato' Azmi bin Abdullah
   Member/Senior Independent Non-executive Director

3) Lau Mun Cheong
   Member/Independent Non-executive Director

On 1 August 2021, Encik Shahruladeri bin Mohamad Adnan, Independent Non-executive Director of the Company was appointed as Member of the AC following resignation of Mr. Lau Mun Cheong on 5 July 2021.

Mr. Hoe Kah Soon, the Independent Non-executive Director of the Company will retire by rotation as a director in accordance with Clause 102 of the Company's Constitution. As he will not be seeking re-election, Mr. Hoe Kah Soon will retire at the conclusion of 45th Annual General Meeting.

The members of the AC consist solely of Independent Non-executive Directors. All members are financially literate and the Chairman of the AC graduated with a Bachelor of Accounting (First Class Honours) and in the same year successfully completed the MICPA examinations.

ATTENDANCE OF MEETINGS

During the financial year ended 31 March 2021, a total of nine (9) AC meetings were held and the details of the attendance of the members are as follows:

Name	No. of Meetings Attended
Hoe Kah Soon	9/9
Dato' Azmi bin Abdullah	9/9
Lau Mun Cheong	9/9

The Executive Director who is the officer primarily responsible for the accounting records and financial management of the Group, head of the Risk Exco Committee, representatives of the outsourced internal audit function and the external auditors were invited to attend the AC meetings, when required, to explain and provide the AC with clarification on the activities involving their area of responsibilities.

The AC Chairman would brief the Board on the proceedings of each AC meeting. Minutes of each AC meeting were tabled for confirmation at the following AC meeting.

TERMS OF REFERENCE

The terms of reference of the AC was reviewed on 24 March 2021 and are available on the Company's website at www.ireka.com.my.

AUDIT COMMITTEE REPORT

SUMMARY OF ACTIVITIES

The following activities were carried out by the AC for the financial year ended 31 March 2021 in discharging its functions:

1) Reviewed the quarterly unaudited financial results and year-end financial statements of the Group before recommending for the approval by the Board, focusing particularly on:

    i) changes in or implementation of major accounting policies;

    ii) significant matters highlighted including financial reporting issues, significant judgments made by management, significant and unusual events or transactions, and how these matters were addressed; and

    iii) compliance with accounting standards and other legal requirements

2) Reviewed the external auditors' report on their audit plan, scope of works and the audit procedures to be adopted in the annual audit;

3) Reviewed and discussed with the external auditors on the key audit matters raised from the results of their annual audit, the management letter and the audit report;

4) Reviewed the annual audited financial statements of the Company and the Group, which have been prepared in compliance with the applicable Malaysian Financial Reporting Standards ("MFRS") and in accordance with the provision of the Companies Act 2016, together with the external auditors prior to submission to the Board for consideration and approval;

5) Reviewed the Audit Committee Report and Statement on Risk Management and Internal Control and recommended to the Board for approval prior to the inclusion in the Company's Annual Report;

6) Considered the renewal of the proposed general mandate for recurrent related party transactions of a revenue or trading nature and the draft circular to shareholders before recommending to the Board for approval;

7) Invited the Executive Director who is primarily responsible for the accounting records and financial management of the Group to all the AC meetings to facilitate direct communication and to provide clarification on issues relating to the financial results of the Group, significant financial reporting issues and judgments made on the accounting matters;

8) Reviewed and approved the risk-based audit plan of the internal auditors;

9) Reviewed and deliberated on internal audit reports tabled during the year, the audit recommendations made and Management's response to these recommendations. The AC briefed the Board on audit findings, sought clarifications from the Executive Directors on internal control matters and provided its views and recommendations on areas where improvements could be made;

10) Reviewed the results of follow-up audits conducted by the internal auditors on the Management's implementation of audit recommendations to ensure that corrective actions have been implemented in a timely manner;

11) Reviewed all related party transactions entered into by the Company and the Group to ensure that such transactions were undertaken at arm's length and on normal commercial terms prior to submission for the Board's approval;

12) Reviewed the actual values of recurrent related party transactions entered into by the Company and the Group against the approved estimated values mandated by shareholders on a quarterly basis;

13) Reviewed the key risks identified by the Chief Executive Officers of the Group's core businesses as contained in the Group Risk Management Reports before recommending the same for the Board's consideration; and

14) Reviewed, assessed and monitored the performance, competency and professionalism demonstrated by the external auditors. The AC was satisfied with the performance and noted the audit independence of the external auditors and accordingly, it was recommended to the Board for their re-appointment to be tabled for approval at the forthcoming Annual General Meeting.

AUDIT COMMITTEE REPORT

INTERNAL AUDIT FUNCTION AND SUMMARY OF ACTIVITIES

The Group's internal audit function, which reports directly to the AC, is outsourced to Tricor Axcelasia Sdn Bhd. The main role of the internal audit function is to undertake regular reviews of the Group's systems of controls, procedures and operations so as to provide independent and objective assurance to the AC regarding the adequacy and effectiveness of internal control, risk management and governance systems. The Engagement Executive Director is Ms. Melissa Koay who has diverse professional experience in internal audit, risk management and corporate governance advisory. She is a Chartered Member of the Institute of Internal Auditors Malaysia, a member of the Malaysian Institute of Accountants and a Fellow Member of the Association of Chartered Certified Accountants, United Kingdom. Ms. Melissa is also a Certified Internal Auditor.

The number of staff deployed for the internal audit reviews is ranging from 4 to 5 staff per visit including the Engagement Executive Director. The staff involved in the internal audit reviews possesses professional qualifications and/or a university degree. Certain staff are members of the Institute of Internal Auditors Malaysia. The internal audit staff on the engagement are free from any relationships or conflict of interest, which could impair their objectivity and independence, and the internal audit reviews were conducted using a risk based approach and were guided by the International Professional Practice Framework.

During the financial year ended 31 March 2021, the outsourced internal audit function carried out audits in accordance with the risk-based internal audit plan approved by the AC. The entities and business processes reviewed were as follows:

Entity	Business Processes
Ireka Engineering & Construction Sdn Bhd	• Project management
Ireka Development Management Sdn Bhd	• Project development & planning
Ireka Engineering & Construction Sdn Bhd	• Tender management

The Internal Auditors also presented the follow-up status report on previously reported audit findings in respect of the following entities and business processes:

Entity	Business Processes
Ireka Engineering & Construction Sdn Bhd	• Procurement of materials and services
Ireka Development Management Sdn Bhd	• Project closure • Pre-development • Sales and marketing

The results of the audit reviews were discussed with the Senior Management and subsequently, the audit findings including the recommendations for improvement were presented to the AC at scheduled meetings. In addition, the internal audit function carried out follow up reviews to ensure that corrective actions have been implemented in a timely manner by Management and the results of such reviews are also periodically reported to the AC. Although a number of internal control weaknesses were identified, none of the weaknesses have resulted in any material losses that would require separate disclosure in this annual report.

The total costs incurred for the outsourcing of the Internal Audit function for the financial year ended 31 March 2021 was RM61,506.04.

STATEMENT OF DIRECTORS' RESPONSIBILITY

FOR PREPARING THE FINANCIAL STATEMENTS
(PURSUANT TO PARAGRAPH 15.26(A) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD)

The Directors are responsible for the preparation of the financial statements of the Group in accordance with the Malaysian Financial Reporting Standards, the Companies Act 2016 ('Act') and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2021 and of the results and cash flows of the Company and of the Group for the financial year then ended.

In preparing the financial statements, the Directors have:

- applied suitable and approved accounting policies consistently;
- made reasonable, prudent judgments and estimates;
- ensured strict adherence of all applicable accounting standards, 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 Company and the Group have adequate resources to continue in operational existence for the foreseeable future.

The Directors have responsibility for ensuring that the Company and the Group keep accounting records which disclose with reasonable accuracy the financial position of the Company and of the Group and are kept in accordance with the Act.

The Directors have overall responsibilities to take such steps as reasonably available to them to safeguard the assets of the Group, to prevent and detect fraud and other irregularities.

(This Statement has been approved by the Board of Directors at the Board meeting held on 25 August 2021)

FINANCIAL STATEMENTS

DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The Company is principally engaged in the businesses of investment holding and provision of management services. The principal activities of the subsidiaries are set out in Note 5 to the financial statements.

RESULTS

	The Group RM	The Company RM
Loss after taxation for the financial year	(25,084,083)	(4,651,290)
Attributable to:-		
Owners of the Company	(26,024,765)	(4,651,290)
Non-controlling interests	940,682	–
	(25,084,083)	(4,651,290)

DIVIDENDS

No dividend was recommended by the directors for the financial year.

RESERVES AND PROVISIONS

There were no material transfer to or from reserves or provisions during the financial year.

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

(a) there were no changes in the issued and paid-up share capital of the Company; and

(b) there were no issues of debentures by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

DIRECTORS' REPORT

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables, and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the writing off of bad debts, or the allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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

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

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

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

CHANGE OF CIRCUMSTANCES

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

DIRECTORS' REPORT

ITEMS OF AN UNUSUAL NATURE

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

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:-

Lai Voon Huey
Chan Chee Kian
Dato' Azmi Bin Abdullah
Hoe Kah Soon
Tan Thiam Chai
Chow Sung Chek Simon *(Appointed on 5.7.2021)*
Mohd Hasnul Ismar Bin Mohd Ismail *(Appointed on 5.7.2021)*
Shahruladeri Bin Mohamad Adnan *(Appointed on 5.7.2021)*
Tan Sri Dato' Mohd Ismail Bin Che Rus *(Appointed on 19.8.2021)*
Datuk Lai Siew Wah *(Resigned on 5.7.2021)*
Datuk Lai Jaat Kong @ Lai Foot Kong *(Resigned on 5.7.2021)*
Lau Mun Cheong *(Resigned on 5.7.2021)*
Datuk Lai Voon Hon *(Resigned on 19.8.2021)*

The names of directors of the Company's subsidiaries who served during the financial year and up to the date of this report, not including those directors mentioned above, are as follows:-

Leonard Yee Yuke Dien
Chan Huan Khim
Ng Yau Siong

DIRECTORS' REPORT

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares in the Company and its related corporations during the financial year are as follows:-

		Number of Ordinary Shares			
		At 1.4.2020	Bought	Sold	At 31.3.2021
The Company					
Direct Interests					
Datuk Lai Jaat Kong @ Lai Foot Kong		9,000,000	–	–	9,000,000
Datuk Lai Voon Hon		18,000	–	–	18,000
Lai Voon Huey		9,000	–	–	9,000
Tan Thiam Chai		29,250	–	–	29,250
Indirect Interests					
Datuk Lai Siew Wah	(i)	73,502,997	–	–	73,502,997
Subsidiary, e-Auction Sdn. Bhd.					
Indirect Interests					
Lai Voon Huey	(ii)	4,000	–	–	4,000

Notes:
(i) Deemed interests by virtue of the direct shareholding of his spouse, children and his indirect interest in the Company via Ideal Land Holdings Sdn. Bhd. pursuant to Sections 59(11)(c) and 8 of the Companies Act 2016.

(ii) Deemed interests by virtue of the direct shareholding of her spouse in the subsidiary pursuant to Sections 59(11)(c) of the Companies Act 2016.

By virtue of his shareholdings in the Company, Datuk Lai Siew Wah is deemed to have interests in shares in its related corporations during the financial year to the extent of the Company's interests, in accordance with Section 8 of the Companies Act 2016.

The other directors holding office at the end of the financial year had no interest in shares or debentures of the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivables by directors shown in the financial statements or the fixed salary of a full-time employee of the Company or related corporations) by reason of a contract made by the Group or the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 45 to the financial statements.

Neither during nor at the end of the financial year was the Group or the Company a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REPORT

DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are disclosed in Note 46 to the financial statements.

INDEMNITY AND INSURANCE COST

During the financial year, the amount of indemnity coverage and insurance premium paid for the directors of the Company were RM5,000,000 and RM9,658 respectively.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 5 to the financial statements.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT EVENTS

The significant event during the financial year and subsequent years are disclosed in Note 49 to the financial statements.

AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The details of the auditors' remuneration are disclosed in Note 41 to the financial statements.

Signed in accordance with a resolution of the directors dated 25 August 2021.

Chan Chee Kian

Lai Voon Huey

STATEMENT BY DIRECTORS

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

We, Chan Chee Kian and Lai Voon Huey, being two of the directors of Ireka Corporation Berhad, state that, in the opinion of the directors, the financial statements set out on pages 65 to 141 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 of 31 March 2021 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 25 August 2021

Chan Chee Kian **Lai Voon Huey**

STATUTORY DECLARATION

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

I, Lai Voon Huey, MIA Membership Number: 8512, being the director primarily responsible for the financial management of Ireka Corporation Berhad, do solemnly and sincerely declare that the financial statements set out on pages 65 to 141 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Lai Voon Huey, NRIC Number: 660508-10-6572
at Kuala Lumpur
In the Federal Territory
on 25 August 2021

Lai Voon Huey

Before me:
Datin Hajah Raihela Wanchik (No. W-257)
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IREKA CORPORATION BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Qualified Opinion

We have audited the financial statements of Ireka Corporation Berhad ("the Company") and its subsidiaries ("the Group"), which comprise the statements of financial position of the Group and of the Company as at 31 March 2021, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 65 to 141.

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

Basis for Qualified Opinion

1. Investment in associates (Note 6 to the financial statements)

   As disclosed in Note 6 - Investments in Associates to the financial statements, the Group's investment in Aseana Properties Limited ("ASPL") and its subsidiaries ("ASPL Group"), accounted for by the equity method, is carried at RM72,685,674 on the consolidated statement of financial position as at 31 March 2021. The Group's share of ASPL Group's loss after taxation of RM9,645,646 is included in the Group's consolidated statement of profit or loss and other comprehensive income for the financial year then ended. We were unable to obtain sufficient appropriate audit evidence on the carrying amount of the Group's investment in ASPL Group as at 31 March 2021 and the Group's share of ASPL Group's profit after taxation for the financial year because we were not able to obtain access to the financial information, management, and the auditors of ASPL Group within the audit time period. Consequently, we were unable to determine whether any adjustments might have been found necessary to these balances.

2. Trade and other receivables and trade and other payables

   As a result of the movement restrictions imposed throughout Malaysia due to the Covid-19 pandemic, the management was unable to provide the documentary evidence required for certain trade and other receivables and trade and other payables of a subsidiary as they were not able to operate during that period. As such, we were unable to obtain sufficient appropriate audit evidence in the following balances relating to the financial statements of a subsidiary as at 31 March 2021:-

   i. The amount disclosed in Note 16 to the financial statements on trade receivables amounting to RM62,201,573;
   ii. The amount disclosed in Note 17 to the financial statements on other receivables amounting to RM48,496,474;
   iii. The amount disclosed in Note 32 to the financial statements on trade payables amounting to RM148,518,448; and
   iv. The amount disclosed in Note 33 to the financial statements on other payables amounting to RM9,375,034.

Consequently, we were unable to determine whether any adjustments might have been found necessary to these balances.

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 Consolidated 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 qualified opinion.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF IREKA CORPORATION BERHAD

Independence and Other Ethical Responsibilities

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

Material Uncertainty Related to Going Concern

We draw attention to Note 3.3 - Basis of Preparation to the financial statements, which indicates that the Group incurred a net loss of RM25,084,083 during the financial year ended 31 March 2021 and, as of that date, the Group's current liabilities exceeded its current assets by RM40,235,629. These events or conditions, along with other matters as disclosed in Note 3.3 - Basis of Preparation to the financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Matter

The financial statements of the Group and of the Company for the preceding financial year were audited by another firm of auditors whose report dated 27 August 2020, expressed an unmodified opinion on those statements.

Key Audit Matters

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

In addition to the matter described in the *Basis for Qualified Opinion Section*, we have determined the matters described below to be the key audit matters to be communicated in our report.

Revenue Recognition and Inventories - Property Development Cost	
Key Audit Matter	**How our audit addressed the Key Audit Matter**
The Group recognise revenue and costs from property development activities using the stage of completion method. The stage of completion is measured using the input method, by reference to the proportion of actual costs incurred for work performed to date to the estimated total costs for the project. Revenue and costs recognised on property development activities involves significant management judgement and estimates in determining the following: • Stage of completion; • Estimated total property development costs. Refer to Notes 4.1(g), 4.25(c), 14 and 36 to the financial statements.	Our procedures included, amongst others:- • Reviewed budgets prepared by management for property development projects; • Assessed estimated total costs to complete through enquiries with management; • Inspected documentation which supports cost estimates made including contract variations and contingency costs; • Assessed the reliability of contract budgets by comparing to actual costs incurred; • Verified sales of properties to signed Sale and Purchase Agreements and billings raised to property buyers; and • Performed recomputation of revenue recognised and checked calculation of the percentage of completion.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF IREKA CORPORATION BERHAD

Key Audit Matters (Cont'd)

Revenue recognition and contract assets and liabilities – Construction Contracts	
Key Audit Matter	**How our audit addressed the Key Audit Matter**
The Group recognise revenue on construction contracts based on the percentage of completion method. The stage of completion is measured by reference to the proportion of actual costs incurred for work performed to date to the estimated total costs for the project. The determination of the percentage of completion requires the management to exercise significant judgement in estimating the total costs to complete the contracts. Please refer to Note 4.1(f), 4.25(d), 18 and 36 to the financial statements.	Our procedures included, amongst others:- • Verified contracts secured and reviewed budgeted costs; • Assessed the estimated total contract costs to complete through enquiries with management; • Inspected documentation which supports cost estimates made including contract variations and cost contingencies; • Assessed reliability of contract budgets by comparing to actual incurred; • Performed verification on the actual progress billings issued and actual costs incurred for the financial year; and • Recomputed revenue recognised and checked calculation of the percentage of completion.

Recoverability on trade receivables	
Key Audit Matter	**How our audit addressed the Key Audit Matter**
As at 31 March 2021, trade receivables of the Group amounted to RM77,865,855. The details of trade receivables and their credit risks have been disclosed in Note 16 and Note 48.1 to the financial statements. We determined this to be a key audit matter because management exercise significant judgements in determining the probability of default by trade receivables and appropriate forward looking information. Please refer to Note 4.1(d), 16, 48.1(b)(iii) to the financial statements.	Our procedures included, amongst others:- • Reviewed the ageing analysis of receivables and test its accuracy; • Reviewed subsequent collections for major receivables and overdue amounts; • Examined, where applicable, other evidence including customers' correspondences, proposed or existing settlement plans and repayment schedules; and • Evaluated, where applicable, the reasonableness and tested the adequacy of the Group's impairment losses for identified exposures on trade receivables by assessing the relevant assumptions and historical data from the Group's previous collection experience.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF IREKA CORPORATION BERHAD

Information Other than the Financial Statements and Auditors' Report Thereon (Cont'd)

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the *Basis for Qualified Opinion* section above, we were unable to obtain sufficient appropriate audit evidence about the carrying amount of the Group's investment in associates as at 31 March 2021, the Group's share of associates' profit for the financial year, the carrying amount of trade and other receivables, and trade and other payables as at 31 March 2021. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of the 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 of 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 and of 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 of the Company's internal control.

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

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF IREKA CORPORATION BERHAD

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and of 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 and of 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 5 to the financial statements. In addition, we report to you that we have not received all the information and explanations we require for our audit as highlighted under the Basis for Qualified Opinion.

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.

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Gerald Lau Beng Tong
03523/08/2022 J
Chartered Accountant

Kuala Lumpur
25 August 2021

STATEMENTS OF FINANCIAL POSITION

AT 31 MARCH 2021

	Note	The Group 31.03.2021 RM	The Group 31.03.2020 RM (Restated)	The Group 1.4.2019 RM (Restated)	The Company 31.03.2021 RM	The Company 31.03.2020 RM (Restated)	The Company 1.4.2019 RM (Restated)
ASSETS							
NON-CURRENT ASSETS							
Investments in subsidiaries	5	**–**	–	–	**104,786,840**	104,786,840	104,786,840
Investments in associates	6	**72,685,674**	82,331,320	114,646,659	**158,544,392**	158,544,392	158,544,392
Investment in a joint venture	7	**7,143,919**	7,543,074	–	**7,650,000**	7,650,000	–
Property, plant and equipment	8	**21,792,494**	25,011,554	23,681,105	**2,154,787**	2,326,087	2,551,642
Investment properties	9	**13,508,368**	17,039,532	17,419,700	**–**	–	–
Right-of-use assets	10	**10,812,410**	2,538,340	6,598,487	**4,168,890**	1,219,840	2,067,544
Finance lease receivables	11	**–**	–	–	**5,546,062**	–	–
Other investments	12	**33,500**	33,500	33,500	**33,500**	33,500	33,500
Deferred tax assets	13	**55,126**	180,413	27,676	**–**	–	–
Inventories	14	**14,343,472**	14,133,544	13,070,808	**–**	–	–
		140,384,963	148,811,277	175,477,935	**282,884,471**	274,560,659	267,983,918
CURRENT ASSETS							
Inventories	14	**94,066,886**	156,946,559	134,136,485	**–**	–	–
Contract cost assets	15	**14,083,271**	20,507,944	–	**–**	–	–
Trade receivables	16	**77,865,855**	85,693,215	104,461,933	**–**	–	–
Other receivables, deposits and prepayments	17	**57,278,278**	16,046,807	26,995,897	**1,708,099**	1,595,007	973,782
Contract assets	18	**68,800,691**	41,573,750	3,635,788	**–**	–	–
Amount owing by subsidiaries	19	**–**	–	–	**56,213,709**	55,377,761	52,164,753
Amount owing by associates	20	**1,607,349**	737	14,889,492	**1,580,349**	737	14,889,492
Amount owing by joint venture	21	**68,216**	–	–	**52,422**	–	–
Amount owing by related parties	22	**4,207,331**	7,178,860	–	**–**	–	–
Finance lease receivables	11	**–**	–	–	**921,628**	1,003,537	1,003,537
Short-term investments	23	**4,862,906**	2,037,886	4,168,759	–	–	–
Fixed deposits with licensed banks	24	**10,640,305**	10,401,809	19,265,063	**3,863,053**	3,805,123	12,411,597
Cash and bank balances	25	**13,889,886**	15,162,880	9,773,670	**361,535**	2,888,984	271,376
Current tax assets		**1,193,967**	–	–	**–**	–	–
		348,564,941	355,550,447	317,327,087	**64,700,795**	64,671,149	81,714,537
TOTAL ASSETS		**488,939,904**	504,361,724	492,805,022	**347,585,266**	339,231,808	349,698,455

The annexed notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

AT 31 MARCH 2021 (CONT'D)

	Note	The Group 31.03.2021 RM	The Group 31.03.2020 RM (Restated)	The Group 1.4.2019 RM (Restated)	The Company 31.03.2021 RM	The Company 31.03.2020 RM (Restated)	The Company 1.4.2019 RM (Restated)
EQUITY AND LIABILITIES							
EQUITY							
Share capital	26	**181,288,393**	181,288,393	181,288,393	**181,288,393**	181,288,393	181,288,393
Warrant reserve	27	**–**	–	5,695,735	**–**	–	5,695,735
Other reserve	28	**–**	–	(5,695,735)	**–**	–	(5,695,735)
Foreign currency translation reserve	29	**(1,919,527)**	(1,870,107)	(1,951,959)	**–**	–	–
(Accumulated losses)/Retained profits		**(119,788,706)**	(100,093,080)	(44,354,107)	**72,333,474**	76,984,764	87,124,809
Equity attributable to owners of the Company		**59,580,160**	79,325,206	134,982,327	**253,621,867**	258,273,157	268,413,202
Non-controlling interests		**31,090,851**	19,233,315	13,645,775	**–**	–	–
TOTAL EQUITY		**90,671,011**	98,558,521	148,628,102	**253,621,867**	258,273,157	268,413,202
NON-CURRENT LIABILITIES							
Lease liabilities	30	**8,987,363**	708,287	3,570,112	**8,835,052**	524,562	2,205,264
Long-term borrowings	31	**–**	35,783,246	28,158,319	**–**	–	–
Deferred tax liabilities	13	**480,960**	3,580,960	3,222,000	**–**	610,000	610,000
		9,468,323	40,072,493	34,950,431	**8,835,052**	1,134,562	2,815,264

The annexed notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION
AT 31 MARCH 2021 (CONT'D)

	Note	The Group 31.03.2021 RM	The Group 31.03.2020 RM (Restated)	The Group 1.4.2019 RM (Restated)	The Company 31.03.2021 RM	The Company 31.03.2020 RM (Restated)	The Company 1.4.2019 RM (Restated)
CURRENT LIABILITIES							
Trade payables	32	**161,399,413**	115,359,786	165,818,957	**–**	–	–
Other payables and accruals	33	**88,054,945**	77,879,992	65,857,822	**16,245,463**	12,153,955	9,214,671
Contract liabilities	18	**73,038**	58,125,429	6,278,090	**–**	–	–
Amount owing to subsidiaries	19	**–**	–	–	**65,189,892**	62,160,126	66,444,215
Amount owing to associates	20	**14,337,973**	–	–	**–**	–	–
Amount owing to related parties	22	**16,644,479**	12,124,484	–	**–**	1,821,802	–
Amount owing to directors	34	**173,257**	–	–	**–**	–	–
Lease liabilities	30	**1,847,123**	2,876,894	1,739,159	**1,761,707**	1,680,702	827,265
Short-term borrowings	31	**93,772,167**	81,576,252	60,802,771	**1,000,000**	1,015,347	1,015,715
Bank overdrafts	35	**9,762,915**	16,106,056	8,360,932	**931,285**	992,157	968,123
Current tax liabilities		**2,735,260**	1,681,817	368,758	**–**	–	–
		388,800,570	365,730,710	309,226,489	**85,128,347**	79,824,089	78,469,989
TOTAL LIABILITIES		**398,268,893**	405,803,203	344,176,920	**93,963,399**	80,958,651	81,285,253
TOTAL EQUITY AND LIABILITIES		**488,939,904**	504,361,724	492,805,022	**347,585,266**	339,231,808	349,698,455

The annexed notes form an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	Note	The Group 2021 RM	The Group 2020 RM (Restated)	The Company 2021 RM	The Company 2020 RM (Restated)
REVENUE	36	**178,034,462**	157,053,906	**9,738,755**	11,707,115
COST OF SALES	37	**(144,795,002)**	(141,039,257)	**–**	–
GROSS PROFIT		**33,239,460**	16,014,649	**9,738,755**	11,707,115
OTHER INCOME	38	**3,749,305**	3,873,699	**517,764**	405,312
		36,988,765	19,888,348	**10,256,519**	12,112,427
ADMINISTRATIVE EXPENSES		**(22,647,685)**	(21,514,892)	**(13,437,285)**	(14,179,326)
OTHER EXPENSES		**(7,920,975)**	(10,709,218)	**(947,694)**	(1,145,340)
FINANCE COSTS	39	**(8,870,379)**	(9,694,862)	**(1,132,830)**	(1,107,305)
NET IMPAIRMENT LOSS ON FINANCIAL ASSETS	40	**(13,579,866)**	–	**–**	(5,820,502)
SHARE OF LOSS OF ASSOCIATES		**(9,645,646)**	(32,237,072)	**–**	–
SHARE OF LOSS OF A JOINT VENTURE		**(399,155)**	(106,926)	**–**	–
LOSS BEFORE TAXATION	41	**(26,074,941)**	(54,374,622)	**(5,261,290)**	(10,140,046)
INCOME TAX EXPENSE	42	**990,858**	(3,776,813)	**610,000**	–
LOSS AFTER TAXATION		**(25,084,083)**	(58,151,435)	**(4,651,290)**	(10,140,046)
OTHER COMPREHENSIVE INCOME					
Item that Will be Reclassified Subsequently to Profit or Loss					
Foreign currency translation differences		**(49,420)**	81,852	**–**	–
TOTAL COMPREHENSIVE EXPENSES FOR THE FINANCIAL YEAR		**(25,133,503)**	(58,069,583)	**(4,651,290)**	(10,140,046)
LOSS AFTER TAXATION ATTRIBUTABLE TO:-					
Owners of the Company		**(26,024,765)**	(58,574,262)	**(4,651,290)**	(10,140,046)
Non-controlling interests		**940,682**	422,827	**–**	–
		(25,084,083)	(58,151,435)	**(4,651,290)**	(10,140,046)
TOTAL COMPREHENSIVE EXPENSES ATTRIBUTABLE TO:-					
Owners of the Company		**(26,074,185)**	(58,492,410)	**(4,651,290)**	(10,140,046)
Non-controlling interests		**940,682**	422,827	**–**	–
		(25,133,503)	(58,069,583)	**(4,651,290)**	(10,140,046)
LOSS PER SHARE (SEN)					
- Basic	43	**(13.94)**	(31.37)		

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	Note	Share Capital RM	Warrant Reserve RM	Other Reserve RM	Foreign Exchange Translation Reserve RM	Accumulated losses RM	Attributable to Owners of the Company RM	Non-Controlling Interests RM	Total Equity RM
The Group									
Balance at 1.4.2019									
- As previously reported		181,288,393	5,695,735	(5,695,735)	(1,951,959)	(61,702,531)	117,633,903	27,163,569	144,797,472
- Prior year adjustments	50	–	–	–	–	17,348,425	17,348,425	(13,517,795)	3,830,630
- As restated		181,288,393	5,695,735	(5,695,735)	(1,951,959)	(44,354,106)	134,982,327	13,645,774	148,628,102
Loss after taxation		–	–	–	–	(40,362,573)	(40,362,573)	422,827	(39,939,746)
Prior year adjustments		–	–	–	–	(18,211,690)	(18,211,690)	–	(18,211,690)
		–	–	–	–	(58,574,262)	(58,574,262)	422,827	(58,151,436)
Other comprehensive income:									
- foreign currency translation differences		–	–	–	81,852	–	81,852	–	81,852
Total comprehensive expenses for the financial year		–	–	–	81,852	(58,574,261)	(58,492,409)	422,827	(58,069,583)
Contributions by and distribution to owners of the Company:									
- Warrants expired and delisted	27	–	(5,695,735)	5,695,735	–	–	–	–	–
- Dilution of equity interest	5(c)	–	–	–	–	–	–	8,000,004	8,000,004
- Prior year adjustments		–	–	–	–	2,835,289	2,835,289	(2,835,289)	-
Total transactions with owners		–	(5,695,735)	5,695,735	–	2,835,289	2,835,289	5,164,715	8,000,004
Balance at 31.3.2020		181,288,393	–	–	(1,870,107)	(100,093,080)	79,325,206	19,233,315	98,558,521

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

	Note	Share Capital RM	Foreign Exchange Translation Reserve RM	Accumulated losses RM	Attributable to Owners of the Company RM	Non-Controlling Interests RM	Total Equity RM
The Group							
Balance at 1.4.2020							
- As previously reported		181,288,393	(1,870,107)	(102,065,104)	77,353,182	35,586,399	112,939,581
- Prior year adjustments	50	–	–	1,972,024	1,972,024	(16,353,084)	(14,381,060)
- As restated		181,288,393	(1,870,107)	(100,093,080)	79,325,206	19,233,315	98,558,521
Loss after taxation		–	–	(26,024,765)	(26,024,765)	940,682	(25,084,083)
Other comprehensive income:							
- foreign currency translation differences		–	(49,420)	–	(49,420)	–	(49,420)
Total comprehensive expenses for the financial year		–	(49,420)	(26,024,765)	(26,074,185)	940,682	(25,133,503)
Contributions by and distribution to owners of the Company:							
- Dilution of equity interest	5(c)	–	–	6,329,139	6,329,139	10,916,854	17,245,993
Total transactions with owners		–	–	6,329,139	6,329,139	10,916,854	17,245,993
Balance at 31.3.2021		181,288,393	(1,919,527)	(119,788,706)	59,580,160	31,090,851	90,671,011

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

	Note	Share Capital RM	Warrant Reserve RM	Other Reserve RM	Retained Profits RM	Total Equity RM
The Company						
Balance at 1.4.2019		181,288,393	5,695,735	(5,695,735)	87,124,809	268,413,202
Contributions by and distribution to owners of the Company:						
- Warrants expired and delisted	27	–	(5,695,735)	5,695,735	–	-
Loss after taxation/ Total comprehensive expenses for the financial year		–	–	–	(9,440,000)	(9,440,000)
Prior year adjustments		–	–	–	(700,045)	(700,045)
		–	–	–	(10,140,046)	(10,140,046)
- As restated 31.3.2020		181,288,393	5,695,735	(5,695,735)	76,984,764	258,273,157
Balance at 1.4.2020						
- As previously reported		**181,288,393**	**–**	**–**	**77,684,809**	**258,973,202**
- Prior year adjustments	50	**–**	**–**	**–**	**(700,045)**	**(700,045)**
- As restated 1.4.2020		**181,288,393**	**–**	**–**	**76,984,764**	**258,273,157**
Loss after taxation/ Total comprehensive expenses for the financial year		**–**	**–**	**–**	**(4,651,290)**	**(4,651,290)**
Balance at 31.3.2021		**181,288,393**	**–**	**–**	**72,333,474**	**253,621,867**

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES				
Loss before taxation	**(26,074,941)**	(54,374,622)	**(5,261,290)**	(10,140,046)
Adjustments for:-				
Amount owing by subsidiaries:				
- impairment loss	**–**	–	**–**	5,800,709
- written off	**–**	–	**–**	19,793
Depreciation on right-of-use assets	**1,949,401**	2,361,347	**742,398**	847,704
Dividend income	**–**	(32)	**(20)**	(32)
Fair value (gain)/loss on investment properties	**(1,668,838)**	380,168	**–**	–
Loss on disposal of investment properties	**1,719,133**	–	**–**	–
Interest expenses	**8,870,379**	10,464,719	**1,132,830**	1,048,108
Interest income	**(442,740)**	(1,268,768)	**(304,516)**	(331,616)
Inventories written down	**–**	2,920	**–**	–
Impairment loss on contract assets	**35,408**	–	**–**	–
Impairment loss on trade receivables	**3,488,724**	–	**–**	–
Impairment loss on other receivables	**10,055,734**	–	**–**	–
Property, plant and equipment:				
- depreciation	**2,633,956**	3,019,747	**202,791**	240,669
- loss/(gain) on disposal	**241,276**	33,262	**(43,923)**	98
- written off	**784,980**	122,075	**–**	56,939
Share of result in associates	**9,645,646**	32,237,073	**–**	–
Share of result in a joint venture	**399,155**	106,926	**–**	–
Unrealised loss/(gain) on foreign exchange	**22**	5,420	**(606)**	(703)
Operating profit/(loss) before working capital changes	**11,637,295**	(6,909,765)	**(3,532,336)**	(2,458,486)
Decrease/(Increase) in inventories	**62,669,745**	(9,694,417)	**–**	–
(Increase)/Decrease in contract assets and liabilities	**(85,314,740)**	13,909,377	**–**	–
Decrease/(Increase) in contract cost	**6,424,673**	(4,328)	**–**	–
Increase in trade and other receivables	**(46,948,569)**	(12,278,112)	**(113,092)**	(621,225)
Increase/(Decrease) in trade and other payables	**56,214,580**	(25,308,980)	**4,091,508**	4,761,086
Increase/(Decrease) in amounts owing by/to subsidiaries	**–**	–	**3,643,009**	(13,317,599)
Decrease/(Increase) in amounts owing by associates and, joint venture and related parties	**17,183,140**	14,888,755	**(3,453,837)**	14,888,755
Increase in amounts owing to directors	**3,144,786**	–	**–**	–
CASH FROM/(FOR) OPERATIONS	**25,010,910**	(25,397,470)	**635,252**	3,252,531
Income tax refunded	**–**	134,905	**–**	–
Income tax paid	**(2,124,379)**	(1,124,724)	**–**	–
Interest paid	**(2,704,588)**	–	**–**	–
Interest received	**78,684**	–	**–**	–
NET CASH FROM/(FOR) OPERATING ACTIVITIES	**20,260,627**	(26,387,289)	**635,252**	3,252,531

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

	Note	The Group 2021 RM	The Group 2020 RM	The Company 2021 RM	The Company 2020 RM
CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES					
Investment in joint venture		**–**	(7,650,000)	**–**	(7,650,000)
Dividend received		**–**	32	**20**	32
Interest income received		**364,056**	1,268,768	**57,930**	331,616
Proceeds from disposal of property, plant and equipment		**717,181**	203,120	**52,899**	9
Proceeds from disposal of investment property		**3,480,867**	–	**–**	–
Purchase of property, plant and equipment		**(1,158,367)**	(2,994,592)	**(40,467)**	(72,050)
Additions of right of use assets		**(977,205)**	–	**–**	–
Property development cost paid		**–**	(1,062,736)	**–**	–
Uplift/drawdown in pledged fixed deposits with licensed banks		**(238,494)**	8,863,254	**(57,930)**	–
NET CASH FROM/(FOR) INVESTING ACTIVITIES		**2,188,038**	(1,372,154)	**12,452**	(7,390,393)
CASH FLOWS FOR FINANCING ACTIVITIES					
Interest paid	44(b)	**(6,165,791)**	(10,464,719)	**(1,132,830)**	(1,048,108)
(Repayment)/Drawdown of borrowings	44(b)	**(23,587,331)**	28,398,408	**(15,347)**	(368)
Repayment lease liabilities	44(b)	**(1,996,961)**	(2,742,696)	**(1,966,710)**	(827,265)
Subscription of shares in a subsidiary by the non-controlling interests		**17,246,005**	8,000,003	**–**	–
NET CASH (FOR)/FROM FINANCING ACTIVITIES		**(14,504,078)**	23,190,996	**(3,114,887)**	(1,875,741)
NET DECREASE IN CASH AND CASH EQUIVALENTS		**7,944,587**	(4,568,447)	**(2,467,183)**	(6,013,603)
EFFECT OF EXCHANGE DIFFERENCES		**(49,420)**	81,660	**606**	703
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		**1,094,710**	5,581,497	**1,896,827**	7,909,727
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	44(c)	**8,989,877**	1,094,710	**(569,750)**	1,896,827

The annexed notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office, which is also the principal place of business, is at Level 18, Wisma Mont' Kiara, No.1, Jalan Kiara, Mont' Kiara 50480, Kuala Lumpur.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 25 August 2021.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the businesses of investment holding and provision of management services. The principal activities of the subsidiaries are set out in Note 5 to the financial statements.

3. BASIS OF PREPARATION

The financial statements of the Group are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

3.1 During the current financial year, the Group has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including the Consequential Amendments)
Amendments to MFRS 3: Definition of a Business
Amendments to MFRS 4: Extension of the Temporary Exemption from Applying MFRS 9
Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform
Amendment to MFRS 16: Covid-19-Related Rent Concessions
Amendments to MFRS 101 and MFRS 108: Definition of Material
Amendments to References to the Conceptual Framework in MFRS Standards

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Group's financial statements.

3.2 The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including the Consequential Amendments)	Effective Date
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform – Phase 2	1 January 2021
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendment to MFRS 16: Covid-19-Related Rent Concessions	1 June 2020
Amendment to MFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendment to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018 – 2020	1 January 2022

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

3. BASIS OF PREPARATION (CONT'D)

3.2 The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:- (cont'd)

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

3.3 GOING CONCERN

During the current financial year, the Group incurred a net loss of RM25,084,083. As at 31 March 2021, the Group's current liabilities exceeded its current assets by RM40,235,629. This indicates the existence of a material uncertainty which may cast significant doubt on the ability of the Group to continue as a going concern.

The financial statements are prepared on the basis of accounting principles applicable to a going concern. The Directors would like to highlight that RM9,645,646 was attributable to the share of loss of its associates, ASPL, which the Directors believe has no impact on the Group's operation and cash flow in the short and medium term.

Referring to Note 49, upon completion of the asset disposal transaction with Ideal Land Holdings Sdn Bhd ("ILHSB"), it is expected that RM40 million cash will be received by the Group. In addition, the Directors have on 3 August 2021 announced that it obtained approval to issue a private placement of up to 10% of the total number of issued shares of the Company. As-to-date, 9,500,000 shares were issued raising RM6,039,150. A further 9,170,800 shares will be issued in due course to raise a further RM5,269,542.

The Directors have also approved a series of fundraising proposals which include equity and debts to raise not less than RM120,000,000 over the next 3 years, to strengthen the financial position of the Group. Hence, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For these reasons, the Group continue to adopt the going concern basis of accounting in preparing the annual financial statements. Accordingly, the directors are of the opinion that the going concern basis used in the preparation of the financial statements is appropriate.

The ability of the Group to continue as a going concern and meet its obligations is therefore dependent on the achievement of future profitable operations and the successful implementation of its fundraising proposals which indicates the existence of material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern and in such event, the Group may be unable to realise its assets and discharge its abilities in the normal course of business.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The outbreak of the COVID-19 has brought unprecedented challenges and added economic uncertainties in Malaysia and markets in which the Group operates. While the Group has considered the potential financial impact of the COVID-19 pandemic in the preparation of these financial statements, the full financial impact to the Group remains uncertain. Accordingly, there is a possibility that factors not currently anticipated by management could occur in the future and therefore affect the recognition and measurement of the Group's assets and liabilities at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made 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 other than as disclosed below:-

(a) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 8 to the financial statements.

(b) Valuation of Investment Properties

Investment properties of the Group are reported at fair value which is based on valuations performed by independent professional valuers.

The independent professional valuers have exercised judgement in the valuation process. Also, judgement has been applied in estimating prices for less readily observable external parameters. Other factors such as model assumptions, market dislocations and unexpected correlations can also materially affect these estimates and the resulting fair value. The carrying amount of investment properties as at the reporting date is disclosed in Note 9 to the financial statements.

(c) Write-down of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 14 to the financial statements.

(d) Impairment of Trade Receivables and Contract Assets

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables and contract assets. The contract assets are grouped with trade receivables for impairment assessment because they have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying values of trade receivables and contract assets. The carrying amounts of trade receivables and contract assets as at the reporting date are disclosed in Notes 16 and 18 to the financial statements.

(e) Impairment of Non-trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions as well as forward-looking estimates at the end of each reporting period. The carrying amount of other receivables as at the reporting date are disclosed in Note 17 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(f) Revenue Recognition for Construction Contracts

The Group recognises construction revenue by reference to the construction progress using the input method, determined based on the proportion of construction costs incurred for work performed to date over the estimated total construction costs. The total estimated costs are based on approved budgets, which require assessment and judgement to be made on changes in, for example, work scope, changes in costs and costs to completion. In making the judgement, management relies on past experience and the work of specialists. The carrying amounts of contract assets and contract liabilities as at the reporting date are disclosed in Note 18 to the financial statements.

(g) Revenue and Cost Recognition of Property Development Activities

The Group recognises property development revenue and costs by reference to the progress towards complete satisfaction of the performance obligation at the end of the reporting period. This is measured based on the Group's efforts or budgeted inputs to the satisfaction of the performance obligation. Significant judgement is required in determining the completeness and accuracy of the budgets and the extent of the costs incurred. Substantial changes in property development cost estimates in the future can have a significant effect on the Group's results. In making the judgement, the Group evaluates and relies on past experience and works of specialists. The carrying amounts of contract cost assets as at the reporting date are disclosed in Note 15 to the financial statements.

(h) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made. The carrying amount of current tax liabilities as at the reporting date are as follows:

	The Group	
	2021	**2020**
	RM	**RM**
Current tax assets	**1,193,967**	–
Current tax liabilities	**(2,735,260)**	(1,681,817)

(i) Claims payable for late completion and late delivery

Claims payable is in respect of project completion was delayed resulting in late delivery to its customers. Significant judgement is therefore used in determining the amounts of damages for the delayed completion and provision for claims payables for late delivery to the affected parties.

The Directors have carefully assessed the terms of the contracts, advice from the qualified external party, the amount of damages and the estimated claims payables for late delivery. Based on the Directors' assessment, the Company estimated with reasonable certainty the amounts of claims that are expected to be payables for the project and these amounts have been recognised accordingly. In view of the ongoing negotiations on the claims, any further disclosure may be prejudicial to the Company's negotiating position.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the Group's accounting policies which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

(a) Classification between Investment Properties and Owner-occupied Properties

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 Company accounts for the portions separately. If the portions could not be sold separately, the property is 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 properties.

(b) Leases

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

In determining the incremental borrowing rate of the respective leases. The Group first determines the closest available borrowing rates before using significant judgement to determine the adjustments required to reflect the term, security, value or economic environment of the respective leases.

4.2 BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to the end of the reporting period.

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

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intragroup transactions, balances, income and expenses are eliminated on consolidation. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.2 BASIS OF CONSOLIDATION (CONT'D)

(a) Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Group at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis.

(b) Non-controlling Interests

Non-controlling interests are presented within equity in the consolidated statement of financial position, separately from the equity attributable to owners of the Company. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(c) Changes In Ownership Interests In Subsidiaries Without Change of Control

All changes in the parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of consideration paid or received is recognised directly in equity of the Group.

(d) Loss of Control

Upon the loss of control of a subsidiary, the Group recognises any gain or loss on disposal in profit or loss which is calculated as the difference between:-

(i) the aggregate of the fair value of the consideration received and the fair value of any retained interest in the former subsidiary; and

(ii) the previous carrying amount of the assets (including goodwill), and liabilities of the former subsidiary and any non-controlling interests.

Amounts previously recognised in other comprehensive income in relation to the former subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of (i.e. reclassified to profit or loss or transferred directly to retained profits). The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under MFRS 9 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.3 GOODWILL

Goodwill is measured at cost less accumulated impairment losses, if any. The carrying value of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired. The impairment value of goodwill is recognised immediately in profit or loss. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Under the acquisition method, any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interests recognised and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities at the date of acquisition is recorded as goodwill.

Where the latter amount exceeds the former, after reassessment, the excess represents a bargain purchase gain and is recognised in profit or loss.

In respect of equity-accounted associates and joint ventures, the carrying amount of goodwill is included in the carrying amount of the investment and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted associates and joint ventures.

4.4 FUNCTIONAL AND FOREIGN CURRENCIES

(a) Functional and Presentation Currency

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates, which is the functional currency.

The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

(b) Foreign Currency Transactions and Balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the exchange rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss.

(c) Foreign Operations

Assets and liabilities of foreign operations (including any goodwill and fair value adjustments arising on acquisition) are translated to the Group's presentation currency at the exchange rates at the end of the reporting period. Income, expenses and other comprehensive income of foreign operations are translated at exchange rates at the dates of the transactions. All exchange differences arising from translation are taken directly to other comprehensive income and accumulated in equity; attributable to the owners of the Company and non-controlling interests, as appropriate.

Goodwill and fair value adjustments arising from 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 end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.4 FUNCTIONAL AND FOREIGN CURRENCIES (CONT'D)

(c) Foreign Operations (Cont'd)

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign subsidiary, or a partial disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in an associates and joint ventures that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that foreign operation attributable to the owners of the Company are reclassified to profit or loss as part of the gain or loss on disposal. The portion that related to non-controlling interests is derecognised but is not reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are reattributed to non-controlling interests and are not recognised in profit or loss. When the Group disposes of only part of its investment in an associates and joint ventures that includes a foreign operation while retaining significant influence and joint control, the proportionate share of the accumulative exchange differences is reclassified to profit or loss.

In the consolidated financial statements, when settlement of an intragroup loan is neither planned nor likely to occur in the foreseeable future, the exchange differences arising from translating such monetary item are considered to form part of a net investment in the foreign operation and are recognised in other comprehensive income.

4.5 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised in the statement of financial position when the Company has become a party to the contractual provisions of the instruments.

Financial instruments are classified as financial assets, financial liabilities or equity instruments in accordance with the substance of the contractual arrangement and their definition in MFRS 132. Interest, dividends, gains and losses relating to a financial instrument classified as liability are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

Financial instruments are offset when the Company has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

A financial instrument is recognised initially at its fair value (other than trade receivables without significant financing component which are measured at transaction price as defined in MFRS 15 - Revenue from Contracts with Customers at inception). Transaction costs that are directly attributable to the acquisition or issue of the financial instrument (other than a financial instrument at fair value through profit or loss) are added to/deducted from the fair value on initial recognition, as appropriate. Transaction costs on the financial instrument at fair value through profit or loss are recognised immediately in profit or loss.

Financial instruments recognised in the statement of financial position are disclosed in the individual policy statement associated with each item.

(a) Financial Assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value (through profit or loss, or other comprehensive income), depending on the classification of the financial assets.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Assets (Cont'd)

Debt Instruments

(i) Amortised Cost

The financial asset is held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset. When the asset has subsequently become credit-impaired, the interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest is the rate that discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), excluding expected credit losses, through the expected life of the financial asset or a shorter period (where appropriate).

(ii) Fair Value through Other Comprehensive Income

The financial asset is held for both collecting contractual cash flows and selling the financial asset, where the asset's cash flows represent solely payments of principal and interest. Movements in the carrying amount are taken through other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference which are recognised directly in profit or loss. Interest income is calculated using the effective interest rate method.

(iii) Fair Value through Profit or Loss

All other financial assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss.

The Company reclassified debt instruments when and only when its business model for managing those assets change.

Equity Instruments

All equity investments are subsequently measured at fair value with gains and losses recognised in profit or loss except where the Company has elected to present the subsequent changes in fair value in other comprehensive income and accumulated in the fair value reserve at initial recognition.

The designation at fair value through other comprehensive income is not permitted if the equity investment is either held for trading or is designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise.

Dividend income from this category of financial assets is recognised in profit or loss when the Company's right to receive payment is established unless the dividends clearly represent a recovery of part of the cost of the equity investments.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial Liabilities

(i) Financial Liabilities at Fair Value through Profit or Loss

Fair value through profit or loss category comprises financial liabilities that are either held for trading or are designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. The changes in fair value of these financial liabilities are recognised in profit or loss.

(ii) Other Financial Liabilities

Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), through the expected life of the financial liability or a shorter period (where appropriate).

(c) Equity Instruments

Equity instruments classified as equity are measured initially at cost and are not remeasured subsequently.

(i) Ordinary Shares

Ordinary shares are classified as equity and recorded at the proceeds received, net of directly attributable transaction costs.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

(ii) Warrant reserve

Warrant reserve represents the amount allocated to warrants issued and outstanding at the reporting date. The warrant reserve will be transferred to the share capital account upon the exercise of warrants and the warrant reserve in relation to the unexercised warrants, on expiry of the exercise period, shall remain in equity.

(d) Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the carrying amount of the asset and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified from equity to profit or loss. In contrast, there is no subsequent reclassification of the fair value reserve to profit or loss following the derecognition of an equity investment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 FINANCIAL INSTRUMENTS (CONT'D)

(d) Derecognition (Cont'd)

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expired. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(e) Financial Guarantee Contract

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

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Company, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the amount of the credit loss determined in accordance with the expected credit loss model and the amount initially recognised less cumulative amortisation.

4.6 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries are stated at cost in the statement of financial position of the Company, and are reviewed for impairment at the end of the reporting period if events or changes in circumstances indicate that the carrying values may not be recoverable. The cost of the investments includes transaction costs.

On the disposal of the investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments is recognised in profit or loss.

4.7 INVESTMENTS IN ASSOCIATES

An associate is an entity in which the Group and the Company have a long-term equity interest and where it exercises significant influence over the financial and operating policies.

Investments in associates are stated at cost in the statement of financial position of the Company, and are reviewed for impairment at the end of the reporting period if events or changes in circumstances indicate that the carrying values may not be recoverable. The cost of the investment includes transaction costs.

The investment in an associate is accounted for in the consolidated financial statements using the equity method based on the financial statements of the associate made up to 31 March 2021. The Group's share of the post-acquisition profits and other comprehensive income of the associate is included in the consolidated statement of profit or loss and other comprehensive income, after adjustment if any, to align the accounting policies with those of the Group, from the date that significant influence commences up to the effective date on which significant influence ceases or when the investment is classified as held for sale. The Group's investment in the associate is carried in the consolidated statement of financial position at cost plus the Group's share of the post-acquisition retained profits and reserves. The cost of investment includes transaction costs.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.7 INVESTMENTS IN ASSOCIATES (CONT'D)

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation. The interest in the associate is the carrying amount of the investment in the associate determined using the equity method together with any long-term interests that, in substance, form part of the Group's net investment in the associate.

Unrealised gains or losses on transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate. Unrealised losses are eliminated unless cost cannot be recovered.

When the Group ceases to have significant influence over an associate and the retained interest in the former associate is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as the initial carrying amount of the financial asset in accordance with MFRS 9. Furthermore, the Group also reclassifies its share of the gain or loss previously recognised in other comprehensive income of that associate to profit or loss when the equity method is discontinued.

4.8 JOINT ARRANGEMENTS

Joint arrangements are arrangements of which the Group has joint control, established by contracts requiring unanimous consent for decisions about the activities that significantly affect the arrangements returns.

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint operations.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, the obligations for the liabilities, relating to the arrangement. The Group accounts for each of its interest in the joint operations the assets, liabilities, revenue and expenses (including its share of those held or incurred jointly with the other investors) in accordance with the applicable accounting standards.

4.9 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that are directly attributable to the acquisition of the asset and other costs directly attributable to bringing the asset to working condition for its intended use

Subsequent to initial recognition, all property, plant and equipment, other than freehold land and buildings, are stated at cost less accumulated depreciation and any impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.9 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Freehold land is not depreciated. Depreciation on other property and equipment is charged to profit or loss (unless it is included in the carrying amount of another asset) on a reducing balance basis to write off the depreciable amount of the assets over their estimated useful lives. Depreciation of an asset does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. The principal annual rates used for this purpose are:-

Buildings	2%
Plant and machinery	10% - 20%
Motor vehicles	20%
Office equipment	10% - 25%
Furniture and fittings	10%
Computers	25%
Office renovation	10% - 25%
Data centre	6.7%

The depreciation method, useful lives and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period to ensure that the amounts, method and periods of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of the property and equipment. Any changes are accounted for as a change in estimate.

When significant parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset, being the difference between the net disposal proceeds and the carrying amount, is recognised in profit or loss. The revaluation reserve included in equity is transferred directly to retained profits on retirement or disposal of the asset.

4.10 INVESTMENT PROPERTIES

Investment properties are properties which are owned or right-to-use asset held to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties which are owned are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The right-of-use asset held under a lease contract that meets the definition of investment property is measured initially similarly as other right-of-use assets.

Subsequent to initial recognition, investment properties are stated at fair value with fair value changes recognised in profit or loss.

Investment properties are derecognised when they have either been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal.

On the derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

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 or inventories, the fair value at the date of change becomes the cost for subsequent accounting purposes. If the owner-occupied property becomes an investment property, such property shall be accounted for in accordance with the accounting policy for property, plant and equipment up to the date of change in use.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.11 LEASES

The Group assesses whether a contract is or contains a lease, at the inception of the contract. The Group recognises a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for low-value assets and short-term leases with 12 months or less. For these leases, the Group recognises the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use assets and the associated lease liabilities are presented as a separate line item in the statements of financial position.

The right-of-use asset is initially measured at cost. Cost includes the initial amount of the corresponding lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any incentives received.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of the lease liability. The depreciation starts from the commencement date of the lease. If the lease transfers ownership of the underlying asset to the Group or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Otherwise, the Group depreciates the right-of-use asset to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those property, plant and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in the future lease payments (other than lease modification that is not accounted for as a separate lease) with the corresponding adjustment is made to the carrying amount of the right-of-use asset or is recognised in profit or loss if the carrying amount has been reduced to zero.

4.12 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost and net realisable value are determined as below:-

(a) Land Held for Property Development

The cost comprises specifically identified cost, including cost associated to the purchase of land and an appropriate proportion of common infrastructure costs.

Net realisable value represents the estimated selling price of intended properties that to be developed less the estimated costs of completion and the estimated costs necessary in selling the properties. If future development layout plan is not available, the replacement cost of the properties held for future development will be the best available measure of the net realisable value.

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

Properties held for future property development is transferred to 'property development costs' category when development activities have commenced and are expected to be completed within the Group's normal operating cycle.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.12 INVENTORIES (CONT'D)

(b) Property Development Costs

The cost comprises specifically identified cost, including cost associated to the purchase of land, conversion fees, aggregate cost of development, materials and supplies, wages and other direct expenses, an appropriate proportion of common infrastructure costs.

Net realisable value represents the estimated selling price less the estimated costs of completion and the estimated costs necessary in selling the property.

(c) Others

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average cost method and comprises the purchase price and incidentals incurred in bringing the inventories to their present location and condition.

Net realisable value represents the estimated selling price less the estimated costs of completion and the estimated costs necessary to make the sale.

4.13 CONTRACT COST ASSETS

(a) Incremental Costs of Obtaining A Contract

The Group recognises incremental costs of obtaining contracts with customers as an asset when the Group expects to recover these costs. When the amortisation period of the asset is one year or less, such costs are recognised as an expense immediately when incurred.

(b) Costs to Fulfil A Contract

The Group recognises costs that relate directly to a contract (or an anticipated contract) with customer as an asset when the costs generate or enhance resources of the Group, will be used in satisfying performance obligation in the future and are recovered.

The contract costs are initially measured at cost and amortised on a systematic basis that is consistent with the pattern of revenue recognition to which the asset relates.

An impairment loss is recognised in the profit or loss when the carrying amount of the contract cost exceeds the expected revenue less expected cost that will be incurred. Any impairment loss recovered shall be reversed to the extent of the carrying amount of the contract cost does not exceed the amount that would have been recognised had there been no impairment loss recognised previously.

4.14 CONTRACT ASSET AND CONTRACT LIABILITY

A contract asset is recognised when the Group's right to consideration is conditional on something other than the passage of time. A contract asset is subject to impairment in accordance to MFRS 9 - Financial Instruments.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.15 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash in 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 with original maturity periods of three months or less. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts.

4.16 IMPAIRMENT

(a) Impairment of Financial Assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost, trade receivables and contract assets, as well as on financial guarantee contracts.

The expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Group always recognises lifetime expected credit losses for trade receivables and contract assets using the simplified approach. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience and are adjusted for forward-looking information (including time value of money where appropriate).

For all other financial instruments, the Group recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at fair value through other comprehensive income, for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

(b) Impairment of Non-financial Assets

The carrying values of assets, other than those to which MFRS 136 - Impairment of Assets does not apply, are reviewed at the end of each reporting period for impairment when an annual impairment assessment is compulsory or there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. When the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount and an impairment loss shall be recognised. The recoverable amount of the assets is the higher of the assets' fair value less costs to sell and their value in use, which is measured by reference to discounted future cash flow using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.16 IMPAIRMENT (CONT'D)

(b) Impairment of Non-financial Assets (Cont'd)

An impairment loss is recognised in profit or loss immediately.

In respect of assets other than goodwill, and when there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately.

4.17 PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the provision is the present value of the estimated expenditure required to settle the obligation. The discount rate shall be a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as interest expense in profit or loss.

4.18 EMPLOYEE BENEFITS

(a) Short-term Benefits

Wages, salaries, paid annual leave and bonuses are measured on an undiscounted basis and are recognised in profit or loss in the period in which the associated services are rendered by employees of the Company.

(b) Defined Contribution Plans

The Company's contributions to defined contribution plans are recognised in profit or loss in the period to which they relate. Once the contributions have been paid, the Company has no further liability in respect of the defined contribution plans.

4.19 BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of those assets, until such time as the assets are ready for their intended use or sale. The capitalisation of borrowing costs is suspended during extended periods in which active development is interrupted. The capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is the weighted average of the borrowing costs applicable to borrowings that are outstanding during the financial year, other than borrowings made specifically for the purpose of financing a specific project-in-progress, in which case the actual borrowing costs incurred on that borrowings less any investment income on temporary investment of that borrowings will be capitalised.

All other borrowing costs are recognised in profit or loss as expenses in the period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.20 INCOME TAXES

(a) Current Tax

Current tax assets and liabilities are expected amount of income tax recoverable or payable to the taxation authorities.

Current taxes are measured using tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period and are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss (either in other comprehensive income or directly in equity).

(b) Deferred Tax

Deferred tax is recognised using the liability method for temporary differences other than those that arise from goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

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

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefits will be realised.

Current and deferred tax items are recognised in correlation to the underlying transactions either in profit or loss, other comprehensive income or directly in equity. Deferred tax arising from a business combination is adjusted against goodwill or negative goodwill.

Current tax assets and liabilities or deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxable entity (or on different tax entities but they intend to settle current tax assets and liabilities on a net basis) and the same taxation authority.

4.21 CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements, unless the probability of outflow of economic benefit is remote. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.22 OPERATING SEGMENTS

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

4.23 EARNINGS PER ORDINARY SHARE

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

Diluted earnings per ordinary share is determined by adjusting the consolidated profit or loss attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding.

4.24 FAIR VALUE MEASUREMENTS

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, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. However, this basis does not apply to share-based payment transactions.

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows:-

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical asset or liability that the entity can access at the measurement date;

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

Level 3: Inputs are unobservable inputs for the asset or liability.

The transfer of fair value between levels is determined as of the date of the event or change in circumstances that caused the transfer.

4.25 REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue is recognised by reference to each distinct performance obligation in the contract with customer is measured at the consideration specified in the contract of which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of sales and service tax, returns, rebates and discounts. Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or services promised in the contract

The Group recognises revenue when (or as) it transfers control over a product or service to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.25 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONT'D)

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

- The customer simultaneously receives and consumes the benefits provided as the Group performs.
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

(a) Sale of Goods

Revenue from sale of goods is recognised when the Group has transferred control of the goods to the customer, being when the goods have been delivered to the customer and upon its acceptance. Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, and bears the risks of obsolescence and loss in relation to the goods.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(b) Rendering of Services

Revenue from providing services is recognised at a point in time when the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously. As a practical expedient, the Group recognises revenue on a straight-line method over the period of service.

Customers are invoiced on a monthly basis and consideration is payable when invoiced.

(c) Property Development Activities

Revenue is recognised progressively when property development services are rendered and such services do not create an asset with an alternative's use to the Group, and the Group has a present right to payment for services rendered to date. The progress towards complete satisfaction of the performance obligation is measured based on a method that best depicts the Group's performance in satisfying the performance obligation of the contract. The Group recognise revenue over time using the input method, which is based on the actual cost incurred to date on the property development project as compared to the total budgeted cost for the respective development projects.

When the services rendered exceed the billings to customers, a contract asset is recognised. If the billings exceed the services rendered, a contract liability is recognised.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.25 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONT'D)

(d) Construction Services

Revenue from construction services is recognised over time in the period in which the services are rendered using the input method, determined based the proportion of construction costs incurred for work performed to date over the estimated total construction costs. Transaction price is computed based on the price specified in the contract and adjusted for any variable consideration such as incentives and penalties. Past experience is used to estimate and provide for the variable consideration, using most likely method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

A receivable is recognised when the construction services are rendered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. If the construction services rendered exceed the payment received, a contract asset is recognised. If the payments exceed the construction services rendered, a contract liability is recognised.

4.26 REVENUE FROM OTHER SOURCES AND OTHER OPERATING INCOME

(a) Dividend Income

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

(b) Interest Income

Interest income is recognised on an accrual basis using the effective interest method.

(c) Rental Income

Rental income is accounted for on a straight-line method over the lease term.

(d) Management Fees

Management fees are recognised when services are rendered.

5. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2021	**2020**
	RM	**RM**
Unquoted shares, at cost	**106,766,504**	106,766,504
Accumulated impairment losses	**(1,979,664)**	(1,979,664)
	104,786,840	104,786,840

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows:-

Name of Subsidiary	Principal Place of Business/ Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2021 %	2020 %	Principal Activities
Subsidiaries of the Company				
Ireka Sdn. Bhd.	Malaysia	**100**	100	Investment holding.
Ireka iCapital Sdn. Bhd. (ii)	Malaysia	**100**	100	Investment holding.
Ireka Development Management Sdn. Bhd. (ii)	Malaysia	**100**	100	Property development Management, provision of other related professional services and consultancy.
Ireka Property Services Sdn. Bhd. (ii)	Malaysia	**100**	100	Property services.
Ireka Commercial Sdn. Bhd. (ii)	Malaysia	**100**	100	Property investment and renting of property.
KaMi Management Services Sdn. Bhd. (ii)	Malaysia	**51**	51	Dormant.
i-Residence Sdn. Bhd. (ii)	Malaysia	**100**	100	Property investment and renting of property.
Ireka Engineering and Construction Vietnam Company Limited (iv)	Vietnam	**100**	100	Civil, structural and building construction.
Meadowfield Sdn. Bhd. ("MSB")	Malaysia	**55**	63.80	Property development.
i-Tech Network Solutions (Vietnam) Company Limited (iv)	Vietnam	**100**	100	Import and distribution of computer hardware, computer programming, consultancy and computer system management.
United Time Development Sdn. Bhd.	Malaysia	**100**	100	Property development.
Subsidiaries of the Ireka Sdn. Bhd.				
Ireka Engineering & Construction Sdn. Bhd. (i)	Malaysia	**100**	100	Earthworks, civil, structural and building construction and renting of construction plant and machinery.
Regalmont (Sabah) Sdn. Bhd. (ii)	Malaysia	**100**	100	Property development.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows (Cont'd):-

Name of Subsidiary	Principal Place of Business/ Country of Incorporation	Percentage of Issued Share Capital Held by Parent 2021 %	2020 %	Principal Activities
Subsidiaries of the Ireka Sdn. Bhd. (Cont'd)				
Regal Variety Sdn. Bhd. (ii)	Malaysia	**100**	100	Property development.
Ireka Hospitality Sdn. Bhd. (ii)	Malaysia	**100**	100	Property management, provision of other related professional services and consultancy.
Subsidiaries of the Ireka iCapital Sdn. Bhd.				
e-Auction Sdn. Bhd. (ii)	Malaysia	**96**	96	Dormant
Ireka Venture Capital Ltd (iii)	British Virgin Islands	**100**	100	Investment holding and provision of venture capital fund to internet, e-commerce and related technology based companies.
Asiaegolf Tours Sdn. Bhd. (ii)	Malaysia	**100**	100	Dormant
i-Tech Network Solutions Sdn. Bhd. (ii)	Malaysia	**100**	100	System integration, software solutions and trading in computer hardware.
iTech ELV Solutions Sdn. Bhd. (ii)	Malaysia	**100**	100	Provide, supply and install high voltage power system and low voltage power system, and structured cabling system and extra low voltage system.

Note:

(i) - 28.57% of the shareholding held directly by Ireka Corporation Berhad. The auditors' opinion on the financial statements of this subsidiary contained a qualification on trade and other receivables and trade and other payables as information relating to these balances were not available for the auditors' verification.

(ii - The auditors' report on the financial statements of the subsidiary includes a "Material Uncertainty Related to Going Concern" regarding the ability of the subsidiary to continue as a going concern in view of its capital deficiency position as at the end of the current reporting period. The financial statements were prepared on a going concern basis as the Company has undertaken to provide continued financial support to the subsidiary.

(iii) - Not required to be audited under the laws of the country of incorporation.

(iv) - These subsidiaries were audited by member firms of Crowe Global of which Crowe Malaysia PLT is a member.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(a) The non-controlling interests at the end of the reporting period comprise the following:-

	Effective Equity Interest		The Group	
	2021	**2020**	**2021**	**2020**
	%	**%**	**RM**	**RM**
MSB	**45**	36.20	**31,095,265**	19,236,014
KaMi Management Services Sdn. Bhd.	**49**	49	**(4,414)**	(2,699)
			31,090,851	19,233,315

(b) The summarised financial information (before intra-group elimination) for subsidiary that has non-controlling interests that are material to the Group is as follows:-

	MSB	
	2021	**2020**
	RM	**RM**
At 31 March		
Non-current assets	**60,855**	88,417
Current assets	**86,298,177**	81,528,170
Non-current liabilities	**–**	(10,853,246)
Current liabilities	**(17,258,445)**	(17,632,639)
Net assets	**69,100,587**	53,130,702
Financial Year Ended 31 March		
Revenue	**9,055,398**	14,732,025
Profit for the financial year/Total comprehensive income	**2,094,216**	1,225,378
Net cash for operating activities	**(11,035,821)**	(18,334,083)
Net cash from investing activities	–	132,585
Net cash from financing activities	**11,646,901**	18,259,609

(c) MSB has increased its issued and paid-up share capital for a cash consideration of RM17,246,005 (2020 - RM8,000,003) to the non-controlling interests. Consequently, the Group's equity interest in MSB decrease from 63.80% to 55% (2020 - 68.92% to 63.80%).

6. INVESTMENTS IN ASSOCIATES

	The Group		The Company	
	2021	**2020**	**2021**	**2020**
	RM	**RM**	**RM**	**RM**
Quoted shares, at cost	**158,139,389**	158,139,389	**158,139,389**	158,139,389
Unquoted shares, at cost	**405,003**	405,003	**405,003**	405,003
Share of post-acquisition loss	**(85,858,718)**	(76,213,072)	**–**	–
	72,685,674	82,331,320	**158,544,392**	158,544,392

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

6. INVESTMENTS IN ASSOCIATES (CONT'D)

The details of the associates are as follows:-

Name of Associate	Principal Place of Business	Percentage of Ownership 2021 %	2020 %	Principal Activities
Aseana Properties Limited ("ASPL")	Jersey, Channel Islands	**23.07**	23.07	Development of upscale residential and hospitality projects, sale of development land and operation of hotel, mall and hospital in Malaysia and Vietnam.
Urban DNA Sdn. Bhd. ("URBAN")	Malaysia	**30**	30	Property development.
The RuMa Hotel KL Sdn. Bhd. ("RUMA")	Malaysia	**30**	30	Investment holding.

(a) All associates have a different financial year end from the Group. In applying the equity method of accounting, the statement financial statements of the associates for the financial year ended 31 December 2020 have been used and appropriate adjustments have been made for the effects of significant transaction between 31 December 2020 and 31 March 2021.

(b) The summarised financial information for each associate that is material to the Group is not available at the date of thisienturereport due to delays in the finalisation of the audits of the respective associates above.

(c) The Group recognised its share of result in associates based on audited financial statements drawn up to the most recent reporting date, which is 31 December 2020 (2020 – 31 December 2019). The associate, being listed on London stock exchange, is unable to release information other than those publicly published.

(d) The summarised financial information for each associate that is material to the Group for the previous financial year is as follows:-

	ASPL RM'000	URBAN RM'000	RUMA RM'000	Total RM'000
At 31 March 2020				
Non-current assets	22,081	20,737	1,998	44,816
Current assets	1,104,192	421,922	3,472	1,529,586
Non-current liabilities	(233,543)	(160,101)	(142)	(393,786)
Current liabilities	(471,469)	(251,486)	(43,215)	(766,170)
Net assets/(liabilities)	421,261	31,072	(37,887)	414,446
Financial Period Ended 31 March 2020				
Revenue	31,452	10,243	18,189	59,884
Loss for the financial period	(116,906)	(2,796)	(14,760)	(134,462)
Group share of loss for the financial period	(26,970)	(839)	(4,428)	(32,237)
Carrying amount of the Group's interests in this associate	90,477	1,845	(9,991)	82,331

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

7. INVESTMENT IN A JOINT VENTURE

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Unquoted shares, at cost	**7,650,000**	7,650,000	**7,650,000**	7,650,000
Share of post-acquisition accumulated losses	**(506,081)**	(106,926)	**–**	–
	7,143,919	7,543,074	**7,650,000**	7,650,000

Details of the joint venture are as follows:-

Name of Joint Venture	Principal Place of Business	Percentage of Ownership 2021 %	Percentage of Ownership 2020 %	Principal Activities
Mobilus Sdn. Bhd. ("Mobilus)	Malaysia	**51**	51	Sale of industrial, commercial vehicles and wholesale of other machinery and other service activities incidental to land transportation, rail, urban traffic solution, tourism and infrastructure.

(a) The Group's involvement in joint arrangements is structured through separate vehicles which provide the Group rights to the net assets of the entities. Accordingly, the Group has classified these investments as joint ventures.

(b) Although the Group holds more than 50% of the voting power in Mobilus, the Group has determined that it does not have sole control over the investee considering that strategic and financial decisions of the relevant activities of the investee require unanimous consent by all shareholders.

(c) The summarised financial information for the joint venture is as follows:-

	2021 RM	2020 RM
At 31 March		
Non-current assets	**71,441**	–
Current assets	**24,046,624**	7,488,499
Non-current liabilities	**(33,895)**	–
Current liabilities	**(17,426,483)**	(52,348)
Net assets	**6,657,687**	7,436,151
Financial Year Ended 31 March		
Revenue	**–**	2,160
Loss for the financial year/Total comprehensive expenses	**(778,464)**	(213,850)
Group share of loss for the financial year/Total comprehensive expenses	**(399,154)**	(106,925)
Carrying amount of the Group's interests in this joint venture	**7,143,920**	7,543,074

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

8. PROPERTY, PLANT AND EQUIPMENT

The Group	At 1.4.2020 RM	Additions RM	Written off RM	Disposals RM	Exchange Adjustment RM	Depreciation Charges RM	At 31.3.2021 RM
2021							
Carrying Amount							
Freehold land	**453,493**	**–**	**–**	**–**	**–**	**–**	**453,493**
Buildings	**8,298,844**	**–**	**(671,437)**	**–**	**–**	**(163,955)**	**7,463,452**
Plant and machinery	**8,577,603**	**1,055,870**	**–**	**(901,673)**	**–**	**(1,737,808)**	**6,993,992**
Motor vehicles	**420,783**	**–**	**–**	**(9,455)**	**–**	**(83,576)**	**327,752**
Furniture, fittings and office equipment	**890,403**	**–**	**–**	**–**	**(34)**	**(90,878)**	**799,491**
Computers	**1,466,009**	**102,497**	**–**	**–**	**–**	**(223,626)**	**1,344,880**
Renovations	**113,543**	**–**	**(113,543)**	**–**	**–**	**–**	**–**
Data centre	**4,790,876**	**–**	**–**	**(47,329)**	**–**	**(334,113)**	**4,409,434**
	25,011,554	**1,158,367**	**(784,980)**	**(958,457)**	**(34)**	**(2,633,956)**	**21,792,494**

The Group	At 1.4.2019 RM	Additions RM	Written off RM	Disposals RM	Transfer from Right-of-use assets RM	Exchange Adjustment RM	Depreciation Charges RM	At 31.3.2020 RM
2020								
Carrying Amount								
Freehold land	444,922	–	–	–	–	–	–	444,922
Buildings	8,467,435	–	–	–	–	–	(160,021)	8,307,414
Plant and machinery	6,350,232	2,788,200	–	(202,266)	1,643,031	–	(2,001,595)	8,577,602
Motor vehicles	446,208	7,395	–	–	70,838	–	(103,656)	420,785
Furniture, fittings and office equipment	2,196,859	140,655	(57,511)	(34,115)	–	–	(328,068)	1,917,820
Computers	355,641	24,975	(8,476)	(1)	–	192	(54,841)	317,490
Renovations	152,948	33,367	(56,088)		–	–	(16,685)	113,542
Data centre	5,266,860	–	–		–	–	(354,881)	4,911,979
	23,681,105	2,994,592	(122,075)	(236,382)	1,713,869	192	(3,019,747)	25,011,554

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

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

The Group	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
2021			
Freehold land	**453,493**	**–**	**453,493**
Buildings	**9,405,936**	**(1,924,484)**	**7,463,452**
Plant and machinery	**34,592,098**	**(27,598,106)**	**6,993,992**
Motor vehicles	**3,671,229**	**(3,343,477)**	**327,752**
Furniture, fittings and office equipment	**2,324,709**	**(1,525,218)**	**799,491**
Computers	**5,104,494**	**(3,759,614)**	**1,344,880**
Data centre	**8,200,620**	**(3,791,186)**	**4,409,434**
	63,752,579	**(41,960,085)**	**21,792,494**
2020			
Freehold land	444,922	–	444,922
Buildings	10,368,469	(2,061,055)	8,307,414
Plant and machinery	39,482,826	(30,905,224)	8,577,602
Motor vehicles	3,843,203	(3,422,418)	420,785
Furniture, fittings and office equipment	6,174,159	(4,256,339)	1,917,818
Computers	1,166,270	(848,780)	317,490
Renovations	237,586	(124,044)	113,542
Data centre	8,282,737	(3,370,758)	4,911,979
	70,000,172	(44,988,618)	25,011,554

The Company	At 1.4.2020 RM	Addition RM	Disposals/ Written off RM	Depreciation Charges RM	At 31.3.2021 RM
2021					
Carrying Amount					
Freehold land	**453,493**	**–**	**–**	**–**	**453,493**
Buildings	**481,481**	**–**	**–**	**(471)**	**481,010**
Motor vehicles	**193,371**	**–**	**(8,976)**	**(38,147)**	**146,248**
Furniture, fittings and office equipment	**1,197,742**	**40,467**	**–**	**(164,173)**	**1,074,036**
	2,326,087	**40,467**	**(8,976)**	**(202,791)**	**2,154,787**

	1.4.2019 RM	Addition RM	Disposal RM	Written off RM	Depreciation Charges RM	At 31.3.2020 RM
2020						
Carrying Amount						
Freehold land	453,493	–	–	–	–	453,493
Buildings	481,964	–	–	–	(483)	481,481
Motor vehicles	241,714	–	–	–	(48,343)	193,371
Furniture, fittings and office equipment	1,374,471	72,050	(107)	(56,939)	(191,733)	1,197,742
	2,551,642	72,050	(107)	(56,939)	(240,559)	2,326,087

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

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

The Company	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
2021			
Freehold land	**453,493**	**–**	**453,493**
Buildings	**498,800**	**(17,790)**	**481,010**
Motor vehicles	**2,397,546**	**(2,251,298)**	**146,248**
Furniture, fittings and office equipment	**3,549,746**	**(2,475,710)**	**1,074,036**
	6,899,585	**(4,744,798)**	**2,154,787**
2020			
Freehold land	453,493	–	453,493
Buildings	498,800	(17,319)	481,481
Motor vehicles	2,565,187	(2,371,816)	193,371
Furniture, fittings and office equipment	3,509,279	(2,311,537)	1,197,742
	7,026,759	(4,700,672)	2,326,087

In the previous financial year, included in the buildings of the Group amounting to RM685,410 have been pledged to licensed banks as security for banking facilities granted to the Group as disclosed in Note 31(a) to the financial statements.

9. INVESTMENT PROPERTIES

	The Group 2021 RM	2020 RM
Carrying Amount		
At 1 April 2020/2019	**17,039,530**	17,419,700
Loss on changes in fair value	**1,668,838**	(380,168)
Disposal	**(5,200,000)**	–
At 31 March	**13,508,368**	17,039,532

The fair values of the investment properties are within level 2 of the fair value hierarchy and are arrived at by reference to market evidence of transaction prices for similar properties and are performed by registered valuers having appropriate recognised professional qualification and recent experience in the locations and category of properties being valued. The most significant input into this valuation approach is the price per square foot of comparable properties.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

10. RIGHT-OF-USE ASSETS

The Group	At 1.4.2020 RM	Additions RM	Depreciation Charges RM	At 31.3.2021 RM
2021				
Carrying Amount				
Office premises	**1,642,003**	**10,215,171**	**(1,769,304)**	**10,087,870**
Motor vehicles	**896,337**	**8,300**	**(180,097)**	**724,540**
	2,538,340	**10,223,471**	**(1,949,401)**	**10,812,410**

	1.4.2019 RM	Additions RM	Transfer to Property, Plant and Equipment RM	Depreciation Charges RM	At 31.3.2020 RM
2020					
Carrying Amount					
Office premises	3,764,196	15,069	–	(2,137,262)	1,642,003
Plant and machinery	1,643,031	–	(1,643,031)	–	–
Motor vehicles	1,191,260	–	(70,838)	(224,085)	896,337
	6,558,487	15,069	(1,713,869)	(2,361,347)	2,538,340

The Company	At 1.4.2020 RM	Additions RM	Depreciation Charges RM	At 31.3.2021 RM
2021				
Carrying Amount				
Office premises	**514,361**	**3,691,448**	**(601,302)**	**3,604,507**
Motor vehicles	**705,479**	**–**	**(141,096)**	**564,383**
	1,219,840	**3,691,448**	**(742,398)**	**4,168,890**

	At 1.4.2019 RM	Depreciation Charges RM	At 31.3.2020 RM
2020			
Carrying Amount			
Office premises	1,185,695	(671,334)	514,361
Motor vehicles	881,849	(176,370)	705,479
	2,067,544	(847,704)	1,219,840

The Group leases office premises and motor vehicles of which the leasing activities are summarised below:-

(i) Office premises — The Group and the Company have leased 3 office premises for a period of 3 (2020 - 1) years, with an option to renew the lease after that date.

(ii) Motor vehicles — The Group and the Company has leased its motor vehicles under hire purchase arrangements. The Group has an option to purchase the asset at the expiry of the lease period at an insignificant amount.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

11. FINANCE LEASE RECEIVABLES

	The Company 2021 RM	The Company 2020 RM
At 1 April 2020/2019	**1,003,537**	1,003,537
Additions during the financial year	**6,666,758**	1,003,537
Interest income recognised in profit or loss	**73,359**	72,732
Lease payments received during the financial year	**(1,202,605)**	(1,003,537)
Interest income received during the financial year	**(73,359)**	(72,732)
At 31 March	**6,467,690**	1,003,537
Non-current assets	**5,546,062**	–
Current assets	**921,628**	1,003,537
	6,467,690	1,003,537

12. OTHER INVESTMENTS

	The Group and Company 2021 RM	The Group and Company 2020 RM
Investment in club membership, at fair value	**33,500**	33,500

13. DEFERRED TAX (ASSETS)/LIABILITIES

The Group	At 1.4.2020 RM	Recognised in Profit or Loss (Note 42) RM	At 31.3.2021 RM
Deferred tax liabilities			
Property, plant and equipment	**3,222,000**	**(3,210,000)**	**12,000**
Investment properties	**358,960**	**110,000**	**468,960**
	3,580,960	**(3,100,000)**	**480,960**
Deferred tax assets			
Other deductible temporary differences	**(180,413)**	**125,287**	**(55,126)**
	3,400,547	**(2,974,713)**	**425,834**

	At 1.4.2019 RM	Recognised in Profit or Loss (Note 42) RM	At 31.3.2020 RM
Deferred tax liabilities			
Property, plant and equipment	3,222,000	–	3,222,000
Investment properties	–	358,960	358,960
	3,222,000	358,960	3,580,960
Deferred tax assets			
Other deductible temporary differences	(27,676)	(152,737)	(180,413)
	3,194,324	206,223	3,400,547

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

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

The Company	At 1.4.2020 RM	Recognised in Profit or Loss (Note 42) RM	At 31.3.2021 RM
Deferred tax liabilities			
Property, plant and equipment	610,000	(610,000)	–

	At 1.4.2019 RM	Recognised in Profit or Loss (Note 42) RM	At 31.3.2020 RM
Deferred tax liabilities			
Property, plant and equipment	610,000	–	610,000

At the end of the reporting period, the amounts of deferred tax assets not recognised (stated at gross) due to uncertainty of their realisation are as follows:-

	The Group 2021 RM	The Group 2020 RM	The Company 2021 RM	The Company 2020 RM
Unutilised tax losses	**100,329,471**	85,273,583	**35,768,927**	35,768,927
Unabsorbed capital allowances	**32,003,350**	40,527,492	**2,716,005**	2,716,005
Accelerated capital allowances	**(8,436,248)**	(10,973,322)	**–**	–
	123,896,573	114,827,753	**38,484,932**	38,484,932

The unused tax losses are allowed to be utilised for 7 consecutive years of assessment while unabsorbed capital allowances are allowed to be carried forward indefinitely.

The availability of the unused tax losses and unabsorbed capital allowances for offsetting against future taxable profits are subject to no substantial changes in shareholdings of the Company under Income Tax Act, 1967 and guidelines issued by the tax authority.

Deferred tax assets have not been recognised where it is not probable that future taxable profits will be available against which the Company can utilise the benefits.

14. INVENTORIES

		The Group 2021 RM	The Group 2020 RM Restated
Non-current			
Land held for property development	(a)	**14,343,472**	14,133,544
Current			
Property development cost	(b)	**87,598,731**	149,858,749
Others	(c)	**6,468,155**	7,087,810
		94,066,886	156,946,559
		108,410,358	185,213,647

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

14. INVENTORIES (CONT'D)

(a) Land held for property development

	The Group 2021 RM	The Group 2020 RM Restated
At 1 April 2020/2019	**14,133,544**	13,070,808
Additions	**1,081,728**	1,062,736
Reversal of cost	**(871,800)**	–
At 31 March	**14,343,472**	14,133,544

Included are borrowing costs capitalised during the financial year amounting to RM848,540 (2020 - RM976,940).

The land held for property development had been pledged to financial institutions for credit facilities granted to the Group as disclosed in Note 31(a).

(b) Property development costs

	The Group 2021 RM	The Group 2020 RM Restated
At 1 April 2020/2019	**136,740,171**	124,774,729
Additions	**43,283,359**	105,733,373
Transfer to contract cost assets	**(92,424,798)**	(80,649,352)
At 31 March	**87,598,731**	149,858,749

The freehold land at cost with an aggregate carrying value of RM44,823,084 (2020 - RM62,489,605) had been pledged to financial institutions for credit facilities granted to the Group as disclosed in Noted 31(a).

(c) Others

	The Group 2021 RM	The Group 2020 RM
Construction materials	**5,076,998**	5,977,283
Finished goods	**413,167**	132,537
Property held for sales	**977,990**	977,990
	6,468,155	7,087,810
Recognised in profit or loss:-		
Inventories recognised as cost of sales	**73,129,527**	62,599,991

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

15. CONTRACT COST ASSETS

	The Group 2021 RM	The Group 2020 RM Restated
Incremental costs of obtaining contracts	**3,638,421**	5,558,694
Costs to fulfil a contract	**10,444,850**	14,949,250
	14,083,271	20,507,944

(a) The incremental costs of obtaining contracts primarily comprise sales commission and other incremental costs paid to secure sales contracts for the Group's property development activities. These contract costs are recoverable and amortised over the period in which the related revenue is expected to be recognised.

(b) The costs to fulfil a contract primarily comprise land and related development costs that are attributable to the property unit sold. These costs are expected to be recoverable and are amortised to profit or loss when the related revenue is recognised.

16. TRADE RECEIVABLES

	The Group 2021 RM	The Group 2020 RM
Trade receivables	**81,354,579**	85,693,215
Allowance for impairment losses	**(3,488,724)**	–
	77,865,855	85,693,215
Allowance for impairment losses:-		
At 1 April 2020/2019	**–**	–
Addition during the financial year (Note 40)	**(3,488,724)**	–
At 31 March 2021/2020	**(3,488,724)**	–

(a) The Group's normal trade credit terms range from 30 to 90 (2020 - 30 to 90) days. Other credit terms are assessed and approved on a case-by-case basis.

(b) Included in the Group's trade receivables is an amount of RM21,037,824 (2020 - RM21,037,824) which is currently under an arbitration process to recover the said amounts from UEM Land Berhad. The recoverability of the amounts is dependent on the outcome of the arbitration process which, based on the advice of the Group's solicitors, the Directors are of the opinion that the amount is recoverable.

(c) Included in the Group's trade receivables is a balance of RM62,201,573 relating to a subsidiary in which the balance has been qualified in the audited report of that subsidiary.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

17. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group 2021 RM	The Group 2020 RM Restated	The Company 2021 RM	The Company 2020 RM
Other receivables	**60,649,180**	10,145,824	**173,395**	–
Less: Allowance for impairment losses	**(10,055,734)**	–	**–**	–
	50,593,446	10,145,824	**173,395**	–
Goods and services tax recoverable ("GST")	**2,093,164**	825,856	**2,960**	2,960
Deposits	**3,285,796**	3,765,657	**771,079**	730,164
Prepayments	**1,305,872**	1,309,470	**760,665**	861,881
	57,278,278	16,046,807	**1,708,099**	1,595,007
Allowance for impairment losses:-				
At 1 April 2020/2019	**–**	–	**–**	–
Addition during the financial year (Note 40)	**(10,055,734)**	–	**–**	–
At 31 March 2021/2020	**(10,055,734)**	–	**–**	–

(a) Included in the Group's other receivables is a balance of RM48,496,474 relating to a subsidiary in which the balance has been qualified in the audited report of that subsidiary.

(b) The GST is subject to confirmation of the Inland Revenue Board.

18. CONTRACT ASSETS/(LIABILITIES)

	The Group 2021 RM	The Group 2020 RM Restated
At 1 April 2020/2019	**46,294,298**	(2,642,302)
Revenue recognised during the financial year	**199,539,759**	134,525,993
Billings to customers during the financial year	**(179,028,033)**	(154,156,758)
Impairment loss on contract assets	**(35,408)**	–
Retention sum	**1,957,037**	5,721,388
At 31 March	**68,727,653**	(16,551,679)
Represented by:-		
Contract Assets		
Contract assets in relation to:		
- property development	**35,869,099**	41,573,750
- construction	**32,967,000**	–
	68,836,099	41,573,750
Allowance for impairment losses	**(35,408)**	–
	68,800,691	41,573,750
Contract Liabilities		
Contract liabilities in relation to:		
- property development	**–**	(58,125,429)
- construction	**(73,038)**	–
	(73,038)	(58,125,429)
	68,727,653	(16,551,679)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

18. CONTRACT ASSETS/(LIABILITIES) (CONT'D)

(a) Contract assets are initially recognised for revenue earned from property under development and construction rendered but yet to be billed to customers. Upon billing of invoice, the amounts recognised as contract assets are reclassified to trade receivables.

(b) Contract liabilities include billing made in advance which represent amounts where customers have been invoiced ahead of the satisfaction of the performance obligation by the Group.

(c) As at the end of the reporting period, the unsatisfied performance obligation is expected to be recognised as below:-

	2021 RM	2020 RM
Within 1 year	**204,301,147**	150,553,129
Between 1 and 3 years	**131,122,841**	63,011,720
	335,423,989	213,564,849

19. AMOUNTS OWING BY/(TO) SUBSIDIARIES

	The Company 2021 RM	2020 RM
Amount owing by		
Non-trade balances		
- Interest-bearing at 5.5% (2020 - 5.5%) per annum	**3,236,425**	3,149,575
- Interest-free	**58,777,993**	58,028,895
Accumulated impairment losses	**(5,800,709)**	(5,800,709)
	56,213,709	55,377,761
Accumulated impairment losses:-		
At 1 April 2020/2019	**(5,800,709)**	–
Addition during the financial year	**–**	(5,800,709)
At 31 March	**(5,800,709)**	(5,800,709)
Amount owing to		
Non-trade balances		
- Interest-bearing at 12% (2020 - 13.5%) per annum	**(4,703,408)**	(6,000,000)
- Interest-free	**(60,486,484)**	(56,160,126)
	(65,189,892)	(62,160,126)

The non-trade balances are unsecured and repayable on demand. The amounts owing are to be settled in cash.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

20. AMOUNTS OWING BY/(TO) ASSOCIATES

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Amount owing by				
Trade balances	**1,607,349**	737	**1,580,349**	737
Amount owing to				
Trade balances	**14,337,973**	–	**–**	–

(a) The trade balances are subject to the normal trade credit terms ranging from 30 to 90 (2020 - 30 to 90) days. The amounts owing are repayable on demand and are to be settled in cash.

21. AMOUNT OWING BY JOINT VENTURE

The amount owing is non-trade in nature, unsecured, interest-free and repayable on demand. The amount owing is to be settled in cash.

22. AMOUNT OWING BY/(TO) RELATED PARTIES

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Amount owing by				
Trade balances	**4,207,331**	7,178,860	**–**	–
Amount owing to				
Trade balances	**(14,091,683)**	(12,124,484)	**–**	–
Non-trade balances	**(2,552,796)**	–	**(1,821,802)**	–
	(16,644,479)	(12,124,484)	**(1,821,802)**	–

(c) The trade balances are subject to the normal trade credit terms ranging from 30 to 90 (2020 - 30 to 90) days. The amounts owing are repayable on demand and are to be settled in cash.

(d) The non-trade balances are unsecured, interest-free and repayable on demand. The amount owing is to be settled in cash.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

23. SHORT-TERM INVESTMENTS

	The Group	
	2021 RM	2020 RM
Money market funds, at fair value	**4,862,906**	2,037,886

The money market funds represent investments in highly liquid money market instruments and deposits with financial institutions in Malaysia which are redeemable with one (1) day notice at known amounts of cash, and are subject to an insignificant risk of changes in value.

24. FIXED DEPOSITS WITH LICENSED BANKS

(a) The interest rate as at the reporting date and the remaining maturities of the Group and the Company deposits placed with licensed banks are as follows:-

	The Group		The Company	
	2021	2020	2021	2020
Interest rate (%) (per annum)	**1.55 – 1.65**	2.80 - 2.95	**1.65**	2.95
Average maturity (days)	**90**	30 - 90	**90**	30

(b) Included in the fixed deposits with licensed banks of the Group at the end of the reporting period was an amount of RM10,640,305 (2020 - RM10,401,809) which has been pledged to a licensed bank as security for banking facilities granted to the Group as disclosed in Note 35(a) to the financial statements.

25. CASH AND BANK BALANCES

Included in the cash and bank balances of the Group is an amount of RM4,516,097 (2020 - RM7,558,570) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966, as amended by the Housing Developers (Housing Development Account) (Amendment) Regulation, 2002. The amount is held at call with banks and is available only to the subsidiaries involved in the property development activities.

26. SHARE CAPITAL

	The Group/The Company			
	2021	2020	2021	2020
	Number of Shares		RM	RM
Issued and Fully Paid-Up				
Ordinary shares	**186,708,050**	186,708,050	**181,288,393**	181,288,393

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

27. WARRANT RESERVE

This represents the fair values of the warrants issued and is non-distributable. When the warrants are exercised or expire, the warrant reserve will be transferred to another reserve account within equity.

The warrants may be exercised at any time during the tenure of five (5) years including and commencing from the issue date of warrants. The rights attached to the warrants which are not exercised during the exercise period will thereafter lapse.

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

The warrants expired on 25 June 2019 and were delisted on 26 June 2019.

28. OTHER RESERVE

Other reserves were set off against the warrant reserves as warrants had lapsed.

29. FOREIGN EXCHANGE TRANSLATION RESERVE

The foreign exchange translation reserve arose from the translation of the financial statements of foreign subsidiary and the Group's share of an associate's foreign currency translation differences whose functional currencies are different from the Group's presentation currency.

30. LEASE LIABILITIES

	The Group		The Company	
	2021 RM	**2020 RM**	**2021 RM**	**2020 RM**
At 1 April 2020/2019	**3,585,181**	5,309,271	**2,205,264**	3,032,529
Additions	**9,246,266**	15,069	**10,358,205**	–
Interest expense recognised in profit or loss	**240,316**	289,073	**134,651**	140,602
Repayment of principal	**(1,996,961)**	(1,739,159)	**(1,966,710)**	(827,265)
Repayment of interest expense	**(240,316)**	(289,073)	**(134,651)**	(140,602)
At 31 March	**10,834,486**	3,585,181	**10,596,759**	2,205,264
Analysed by:-				
Non-current liabilities	**8,987,363**	708,287	**8,835,052**	524,562
Current liabilities	**1,847,123**	2,876,894	**1,761,707**	1,680,702
	10,834,486	3,585,181	**10,596,759**	2,205,264

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

31. BORROWINGS

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Non-current liabilities				
Term loans	–	35,783,246	–	–
Current liabilities				
Revolving credits	**23,098,011**	23,115,773	**1,000,000**	1,015,347
Banker acceptance	**18,582,000**	23,048,000	–	–
Term loans	**52,092,156**	35,412,479	–	–
	93,772,167	81,576,252	**1,000,000**	1,015,347
	93,772,167	117,359,498	**1,000,000**	1,015,347

(a) The term loans are secured by:-

(i) First legal charge over the respective freehold land and buildings of certain subsidiaries as disclosed in Notes 8 and 14; and

(ii) a corporate guarantee of the Company.

(b) The secured banker acceptance and revolving credits are secured by:-

(i) a fixed charge over certain of the Group's fixed deposits with licensed banks as disclosed in 24(b) to the financial statements;

(ii) a legal assignment over rights and interest to the contract proceeds;

(iii) a first legal charge over cash deposits; and/or

(iv) a corporate guarantee of the Company.

(c) The term loans of the Group at the end of the reporting period bore an effective interest rate ranging from 4.25% to 12% (2020 - 5% to 12%) per annum.

32. TRADE PAYABLES

	The Group	
	2021 RM	2020 RM
Trade payables	**161,204,858**	70,024,051
Retention sums	**194,555**	45,335,735
	161,399,413	115,359,786

(a) The normal trade credit term granted to the Company ranges from 30 to 90 (2020 - 30 to 90) days.

(b) Included in the Group's trade payables is a balance of RM148,518,448 relating to a subsidiary in which the balance has been qualified in the audited report of that subsidiary.

(c) The project retention sums are to be settled in accordance with the terms of the respective contracts.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

33. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2021 RM	2020 RM Restated	2021 RM	2020 RM
Other payables	**52,566,679**	46,561,535	**15,600,364**	4,103,286
Sales and service tax recoverable	**67,782**	–	**–**	–
Accruals	**10,422,420**	10,589,570	**644,549**	8,050,669
Deposits	**16,994,044**	20,707,887	**550**	–
Advances received	**8,004,020**	–	**–**	–
	88,054,945	77,879,992	**16,245,463**	12,153,955

(a) Included in the Group's other payables is a balance of RM9,375,034 which is the trade payables of a subsidiary in which the balance has been qualified on its financial statements for the financial year ended 31 March 2021.

(b) In the previous financial year, there is an amount due to a director of a subsidiary company of RM69,191 has been included in other payables. The amount is non-trade in nature, unsecured, repayable on demand and non-interest bearing.

(c) Advance received relates to advance payment received from customers. The advances will be offset against future billings to the said customers.

34. AMOUNT OWING TO DIRECTORS

The amount owing is non-trade in nature, unsecured, interest-free and repayable on demand. The amount owing is to be settled in cash.

35. BANK OVERDRAFTS

a) The bank overdrafts of the Group are secured by:-

(i) a fixed charge over certain of the Group's fixed deposits with licensed banks as disclosed in Note 24(b) to the financial statements;

(ii) a legal assignment over rights and interest to the contract proceeds;

(iii) a first legal charge over cash deposits; and

(iv) a corporate guarantee of the Company.

(b) The bank overdrafts of the Group at the end of the reporting period bore floating interest rates range of 6.64% to 7.70% (2020 - 7.39% to 8.45%) per annum.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

36. REVENUE

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Revenue from Contracts with Customers				
Recognised over time				
Constructions	**72,760,724**	68,072,365	**–**	–
Property development	**100,621,826**	82,650,841	**–**	–
Recognised at a point in time				
Trading and services	**4,005,649**	6,029,602	**–**	–
	177,388,199	156,752,808	**–**	–
Revenue from Other Sources				
Recognised over time				
Management fees	**329,707**	–	**9,738,755**	11,707,115
Rental income	**316,556**	301,098	**–**	–
	178,034,462	157,053,906	**9,738,755**	11,707,115

The information on the disaggregation of revenue by geographical market is disclosed in Note 47 to the financial statements.

The information on the unsatisfied performance obligations is disclosed in Note 18(c) to the financial statements.

37. COST OF SALES

	The Group		The Company	
	2021 RM	2020 RM Restated	2021 RM	2020 RM
Construction contracts cost	**71,303,653**	70,144,739	**–**	–
Property development cost	**69,859,317**	59,523,436	**–**	–
Cost of inventories sold	**3,270,210**	3,076,555	**–**	–
Cost of services rendered	**361,822**	8,294,527	**–**	–

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

38. OTHER INCOME

	The Group 2021 RM	The Group 2020 RM	The Company 2021 RM	The Company 2020 RM
Dividend income	**20**	32	**20**	32
Fair value gain on investment properties	**1,668,838**	–	**–**	–
Interest income				
- amount owing by subsidiaries	**–**	–	**173,227**	164,196
- deposits, cash and bank balances	**317,720**	1,268,768	**57,930**	167,421
- finance lease receivables	**–**	–	**73,359**	72,732
- short-term investments	**125,020**	–	**–**	–
Gain on disposal of property, plant and equipment	**324,980**	34,586	**43,923**	–
Unrealised gain on foreign exchange differences	**630**	1,603	**606**	742
Rental income	**30,651**	187,479	**5,767**	–
Others	**1,281,446**	2,381,231	**162,932**	190

39. FINANCE COSTS

	The Group 2021 RM	The Group 2020 RM	The Company 2021 RM	The Company 2020 RM
Interest expenses:				
- amount owing to subsidiaries	**–**	–	**792,171**	760,626
- borrowings	**6,165,791**	10,793,619	**206,008**	206,077
- lease liabilities	**240,316**	289,073	**134,651**	140,602
- other payables	**171,212**	–	**–**	–
- others	**2,704,588**	–	**–**	–
	9,847,319	11,082,692	**1,132,830**	1,107,305
Less: Interest expense capitalised:				
- land held for property development (Note 14(a))	**(976,940)**	(929,096)	**–**	–
- property development costs (Note 14(b))	**–**	(458,734)	**–**	–
	8,870,379	9,694,862	**1,132,830**	1,107,305

40. IMPAIRMENT LOSS ON FINANCIAL ASSETS

	The Group 2021 RM	The Group 2020 RM
Impairment losses:		
- trade receivables	**3,488,724**	–
- contract assets	**35,408**	–
- other receivables	**10,055,734**	–
	13,579,866	–

	The Company 2021 RM	The Company 2020 RM
Impairment losses:		
- amount owing by subsidiaries	**–**	5,820,502

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

41. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging-

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Auditors' remuneration:				
Audit fees:				
- current year	**366,500**	356,873	**105,000**	90,000
- underprovision in the previous financial year	**2,964**	8,076	**–**	5,400
Non-audit fees				
- current year	**5,000**	113,420	**5,000**	113,420
- underprovision in the previous financial year	**5,000**	–	**–**	–
Overseas affiliates of Crowe Malaysia PLT	**10,169**	–	**–**	–
Depreciation on right-of-use assets	**1,949,401**	2,361,347	**742,398**	847,704
Directors' remuneration	**3,775,268**	5,072,751	**2,839,662**	3,823,567
Fair value loss on investment properties	**1,719,135**	380,168	**–**	–
Lease expenses:				
- low value assets	**–**	9,114	**–**	–
- short-term lease	**62,608**	184,507	**–**	–
Property, plant and equipment:				
- depreciation	**2,633,956**	3,019,747	**202,791**	240,669
- loss/(gain) on disposal	**(241,276)**	33,262	**(43,923)**	98
- written off	**784,980**	122,075	**–**	56,939
Staff costs:				
- short-term employees benefits	**28,597,786**	29,397,483	**5,758,841**	6,797,229
- defined contribution benefits	**2,640,182**	2,909,714	**510,589**	661,843
Unrealised loss on foreign exchange	**37**	–	**–**	–
Realised loss on foreign exchange	**37,520**	7,022	**2,505**	39

42. INCOME TAX EXPENSE

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Current tax:				
- current financial year	**1,854,548**	2,234,553	**–**	–
- underprovision in the previous financial year	**129,307**	1,336,037	**–**	–
	1,938,855	3,570,590	**–**	–
Deferred tax (Note 13):				
- origination and reversal of temporary differences (Note 13)	**–**	206,223	**–**	–
- overprovision in the previous financial year (Note 13)	**(3,084,713)**	–	**(610,000)**	–
- real property gain tax (Note 13)	**110,000**	–	**–**	–
	(990,858)	3,776,813	**(610,000)**	–

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

42. INCOME TAX EXPENSE (CONT'D)

A reconciliation of income tax expense applicable to the loss before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows:-

	The Group		The Company	
	2021 RM	**2020 RM**	**2021 RM**	**2020 RM**
Loss before taxation	**(26,074,941)**	(36,162,932)	**(5,261,290)**	(10,140,046)
Tax at the statutory tax rate	**(6,257,987)**	(8,679,104)	**(1,262,710)**	(2,433,611)
Share of results in associates and joint venture	**93,416**	7,762,560	**–**	–
Non-taxable income	**(430,526)**	(56,121)	**–**	(30,690)
Non-deductible expenses	**6,273,128**	3,011,985	**652,710**	1,365,597
Deferred tax assets not recognised during the financial year	**2,176,517**	401,456	**–**	1,098,704
Underprovision of current tax in the previous financial year	**129,308**	1,336,037	**–**	–
Overprovision of deferred tax in the previous financial year	**(3,084,714)**	–	**610,000**	–
Real property gain tax	**110,000**	–	**–**	–
	(990,858)	3,776,813	**–**	–

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2020 - 24%) of the estimated assessable profit for the financial year.

43. LOSS PER SHARE

	The Group	
	2021	**2020**
Basic loss per share		
Loss attributable to owners of the Company	**(26,024,765)**	(58,574,261)
Weighted average number of ordinary shares in issue	**186,708,050**	186,708,050
Basic Loss per share (sen)	**(13.94)**	(31.37)

The Company has not issued any dilutive potential ordinary shares and hence, the diluted earnings per share is equal to the basic earnings per share.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

44. CASH FLOW INFORMATION

(a) The total cash outflows for leases as a lessee are as follows:-

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Property, plant and equipment				
Cost of property and equipment purchased (Note (b) below)	**1,158,367**	2,994,592	**40,467**	72,050
Right-of-use assets				
Cost of right-of-use assets acquired	**10,223,471**	15,069	**3,691,448**	–
Less: Addition of new lease liabilities (Note (b) below)	**(9,246,266)**	(15,069)	**(2,403,533)**	–
	977,205	–	**1,287,915**	–

(b) The reconciliations of liabilities arising from financing activities are as follows:-

	Borrowings RM	Lease Liabilities RM	Total RM
The Group			
2021			
At 1 April 2020	**117,359,498**	**3,585,181**	**120,944,679**
Changes in Financing Cash Flows			
Proceeds from drawdown	**54,801,092**	**–**	**54,801,092**
Repayment of principal	**(78,388,423)**	**(1,996,961)**	**(80,385,384)**
Repayment of interests	**(5,925,475)**	**(240,316)**	**(6,165,791)**
	(29,512,806)	**(2,237,277)**	**(31,750,083)**
Non-cash Changes			
Acquisition of new leases	**–**	**9,246,266**	**10,276,566**
Interest expense recognised in profit or loss	**5,925,475**	**240,316**	**6,165,791**
At 31 March	**93,772,167**	**10,834,486**	**105,333,090**
2020			
At 1 April 2019	88,961,090	5,309,271	94,270,361
Changes in Financing Cash Flows			
Proceeds from drawdown	89,507,765	–	89,507,765
Repayment of principal	(61,109,357)	(1,739,159)	(62,848,516)
Repayment of interests	(10,175,646)	(289,073)	(10,464,719)
	18,222,762	(2,028,232)	16,194,530
Non-cash Changes			
Acquisition of new leases	–	15,069	15,069
Interest expense recognised in profit or loss	8,787,816	289,073	9,076,889
Interest expense capitalised	1,387,830	–	1,387,830
At 31 March	117,359,498	3,585,181	120,944,679

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

44. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):-

	Borrowings RM	Lease Liabilities RM	Amount owing to subsidiaries RM	Total RM
The Company				
2021				
At 1 April 2020	**1,015,347**	**2,205,264**	**6,000,000**	**9,220,611**
Changes in Financing Cash Flows				
Repayment of principal	**(15,347)**	**(1,966,710)**	**(1,296,592)**	**(3,278,649)**
Repayment of interests	**(206,008)**	**(134,651)**	**(792,171)**	**(1,132,830)**
	(221,355)	**(2,101,361)**	**(2,088,763)**	**(4,411,479)**
Non-cash Changes				
Acquisition of new leases	**–**	**10,358,205**	**–**	**10,358,205**
Interest expense recognised in profit or loss	**206,008**	**134,651**	**792,171**	**1,132,830**
At 31 March	**1,000,000**	**10,596,759**	**4,703,408**	**16,300,167**
2020				
At 1 April 2019	1,015,715	3,032,529	–	4,048,244
Changes in Financing Cash Flows				
Proceeds from drawdown	–	–	6,000,000	6,000,000
Repayment of principal	(368)	(827,265)	–	(827,633)
Repayment of interests	(206,077)	(140,602)	(760,626)	(1,107,305)
	(206,445)	(967,867)	5,239,374	4,065,062
Non-cash Changes				
Interest expense recognised in profit or loss	206,077	140,602	760,626	1,107,305
At 31 March	1,015,347	2,205,264	6,000,000	9,220,611

(c) The cash and cash equivalents comprise the following:-

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Short-term investments	**4,862,906**	2,037,886	**–**	–
Fixed deposits with licensed banks	**10,640,305**	10,401,809	**3,863,053**	3,805,123
Cash and bank balances	**13,889,886**	15,162,880	**361,535**	2,888,984
Bank overdrafts	**(9,762,915)**	(16,106,056)	**(931,285)**	(992,157)
	19,630,182	11,496,519	**3,293,303**	5,701,950
Less: Fixed deposits pledged to licensed banks (Note 24(b))	**(10,640,305)**	(10,401,809)	**(3,863,053)**	(3,805,123)
	8,989,877	1,094,710	**(569,750)**	1,896,827

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

45. RELATED PARTY DISCLOSURES

(a) Identities of Related Parties

Parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control.

In addition to the information detailed elsewhere in the financial statements, the Company has related party relationship with its directors, ultimate holding company, immediate holding company, key management personnel and entities within the same group of companies.

(b) Related Party Transactions and Balances

Other than those disclosed elsewhere in the financial statements, the Company also carried out the following transactions with the related parties during the financial year:-

	The Group	
	2021 RM	**2020 RM**
Associate:		
Liquidated ascertained damages charged	–	13,391,160
Management fee charged	–	724,850
Joint Venture:		
Management fee charged	**150,000**	–

	The Company	
	2021 RM	**2020 RM**
Subsidiaries		
Interest income	**(173,227)**	(164,196)
Management fees	**(9,588,755)**	(11,707,115)

The outstanding balances of the related parties together with their terms and conditions are disclosed in the respective notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

46. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Group and of the Company.

The key management personnel compensation during the financial year are as follows:-

	The Group		The Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Executive Directors				
Short-term employee benefits:				
- fees	**216,000**	210,000	**210,000**	210,000
- salaries, bonuses and other benefits	**3,058,781**	4,241,340	**2,252,796**	3,137,280
Defined contribution benefits	**314,487**	408,068	**190,866**	262,944
	3,589,268	4,859,408	**2,653,662**	3,610,224
Non-executive Directors				
Short-term employee benefits:				
- fees	**186,000**	213,343	**186,000**	213,343
	3,775,268	5,072,751	**2,839,662**	3,823,567

The estimated monetary value of benefits-in-kind provided by the Group and the Company to the directors of the Company were RM143,800 and RM94,600 (2020 - RM143,800 and RM94,600) respectively.

47. OPERATING SEGMENTS

(a) Reporting format

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the services. The operating segment reporting are organised and managed separately according to the nature of the services provided, with each segment representing a business unit that serves different markets.

(b) Business segments

The Group Executive Director (the chief operating decision maker) review internal management report at least on a quarterly basis.

The Group is organised into 5 main business segments as follows:-
(i) Construction - involved as general contractors in the construction industry.
(ii) Property development - involved in development of commercial and residential properties.
(iii) Trading and services - involved in trading of construction materials and computer software.
(iv) Property investment - rental of investment properties.
(v) Investment holding - involved in group-level corporate services.

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. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

(c) Allocation basis and transfer pricing

Segments results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The directors are of the opinion that transfer prices between business segments are based on negotiated prices. Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

47. OPERATING SEGMENTS (CONT'D)

	Construction RM	Property development RM	Trading and Services RM	Property Investment RM	Investment holding RM	Elimination RM	The Group RM
2021							
Revenue							
External sales	106,439,092	100,561,036	5,316,975	282,636	–	(34,565,277)	178,034,462
Inter-segment sales	–	–	5,080,159	221,280	9,738,755	(15,040,194)	–
Consolidated revenue	106,439,092	100,561,036	10,397,134	503,916	9,738,755	(49,605,471)	178,034,462
Results							
Segment result	1,919,816	12,528,026	(14,642,424)	1,172,734	6,246,232	(10,243,528)	(3,019,144)
Depreciation							(4,583,357)
Interest expenses							(8,870,379)
Interest income							442,740
Share of loss of associates							(9,645,646)
Share of loss of joint venture							(399,155)
Loss before tax							(26,074,941)
Segment loss includes the followings:-							
Interest expenses	(6,196,880)	(2,105,111)	(144,259)	(344,439)	(1,132,830)	1,053,140	(8,870,379)
Interest income	236,150	940,534	141	156	304,516	(1,038,757)	442,740
Depreciation and amortisation:	(2,542,232)	(1,909)	(1,070,304)	(149,781)	(945,189)	126,058	(4,583,357)
Share of loss of associates	–	–	–	–	(9,645,646)	–	(9,645,646)
Share of loss of joint venture	–	–	–	–	(399,155)	–	(399,155)
Assets							
Segment assets	362,413,423	167,459,966	25,967,424	20,800,080	398,833,213	(486,534,205)	488,939,901
Additions to non-current assets other than financial instruments:							
Property and equipment	1,100,682	–	17,218	–	40,467	–	1,158,367
Right-of-use-assets	3,341,679	–	3,474,722	–	3,691,448	(284,378)	10,233,471
Liabilities							
Segment liabilities	326,612,165	75,615,318	61,789,167	20,242,483	102,783,366	(188,773,606)	398,268,893

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

47. OPERATING SEGMENTS (CONT'D)

	Construction RM	Property development RM	Trading and Services RM	Property Investment RM	Investment holding RM	Elimination RM	The Group RM
2020							
Revenue							
External sales	68,072,365	82,650,841	6,029,602	301,098	–	–	157,053,906
Inter-segment sales	31,072,783	–	5,743,529	222,120	12,407,160	(49,445,592)	–
Consolidated revenue	99,145,148	82,650,841	11,773,131	523,218	12,407,160	(49,445,592)	157,053,906
Results							
Segment result	16,931,743	8,448,892	(7,127,066)	(1,842,282)	24,719,116	(49,353,838)	(8,223,435)
Depreciation and amortisation							(5,381,094)
Interest expenses							(9,694,862)
Interest income							1,268,768
Share of loss of associates							(32,237,073)
Share of loss of joint venture							(106,926)
Loss before tax							(54,374,622)
Segment loss includes the followings:-							
Interest expenses	(6,092,337)	(1,917,134)	(17,674)	(165,832)	(1,048,108)	(453,777)	(9,694,862)
Interest income	148,039	953,125	183	–	331,617	164,196	1,268,768
Depreciation and amortisation:	(2,911,953)	(2,546)	(1,232,778)	(145,555)	(1,088,262)	–	(5,381,094)
Share of loss of associates	–	–	–	–	(32,237,073)	–	(32,237,073)
Share of loss of joint venture	–	–	–	–	(106,926)	–	(106,926)
Assets							
Segment assets	137,933,679	239,610,512	21,833,296	19,795,257	256,550,441	(171,361,461)	504,361,724
Additions to non-current assets other than financial instruments:							
- Property, plant and equipment	2,864,200	–	58,342	–	72,050	–	2,994,592
- Right-of-use-assets	–	–	15,069	–	–	–	15,069
- Inventories - Land held for property development	–	1,062,736	–	–	–	–	1,062,736
Liabilities							
Segment liabilities	284,002,277	94,971,925	6,057,455	6,466,889	18,832,217	(4,527,560)	405,803,203

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

47. OPERATING SEGMENTS (CONT'D)

GEOGRAPHICAL INFORMATION

Revenue is based on the country in which the customers are located.

Non-current assets are determined according to the country where these assets are located.

	Revenue		Non-current Assets	
	2021 RM	2020 RM	2021 RM	2020 RM
The Group				
Malaysia	**177,903,123**	156,913,838	**140,374,963**	148,809,199
Vietnam	**131,339**	140,068	**–**	2,078
	178,034,462	157,053,906	**140,374,963**	148,811,277

The information on the disaggregation of revenue based on geographical region is summarised below:-

	The Group	
	2021 RM	2020 RM
Recognised at a point in time		
Malaysia	**10,030,063**	5,889,534
Vietnam	**131,339**	140,068
	10,161,402	6,029,602
Recognised over time		
Malaysia	**167,873,060**	151,024,304
	178,034,462	157,053,906

MAJOR CUSTOMERS

The following are major customers with revenue equal to or more than 10% of the Group's total revenue.

	Revenue		Segment
	2021 RM	2020 RM	
Company A	**23,832,584**	35,904,170	Construction
Company B	**20,737,824**	21,037,824	Construction
Company C	**8,494,111**	11,744,679	Construction
	53,064,519	68,686,673	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

48. FINANCIAL INSTRUMENTS

The Company's activities are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The Company's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

48.1 FINANCIAL RISK MANAGEMENT POLICIES

The Company's policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

(i) Foreign Currency Risk

Foreign Currency Exposure

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of entities within the Group. The currencies giving rise to this risk is primarily United State Dollars ("USD") and Vietnamese Dong ("VND"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. On occasion, the Group enters into forward foreign currency contracts to hedge against its foreign currency risk.

The Group's exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:-

	USD RM	**VND RM**	**Total RM**
The Group			
2021			
Financial Assets			
Trade and other receivables	–	542,479	542,479
Cash and bank balances	274,666	339,507	1,084,958
	274,666	881,986	1,156,652
Net financial assets			
Less: Net financial assets denominated in the Company's functional currency	(274,666)	881,986	1,156,652
Currency exposure	–	–	–

Foreign Currency Risk Sensitivity Analysis

Any reasonably possible change in the foreign exchange rates at the end of the reporting period against the respective functional currencies of the entities within the Group does not have material impact on the profit after taxation and other comprehensive income of the Group and the Company and hence, no sensitivity analysis is presented.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

48. FINANCIAL INSTRUMENTS (CONT'D)

48.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group's policy is to obtain the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The Group's fixed rate receivables and borrowings are carried at amortised cost. Therefore, they are not subject to interest rate risk as in defined MFRS 7 since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

The Group's exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is as follows:-

	The Group	
	2021	**2020**
	RM	**RM**
Floating rate term loan	**40,076,127**	57,939,287
Bank overdrafts	**9,762,915**	16,106,056
Banker acceptance	**18,582,000**	23,098,011
Revolving credit	**23,098,011**	23,115,773
	91,519,053	120,259,127

	The Company	
	2021	**2020**
	RM	**RM**
Bank overdrafts	**931,285**	992,157
	931,285	992,157

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

48. FINANCIAL INSTRUMENTS (CONT'D)

48.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(ii) Interest Rate Risk (Cont'd)

Interest Rate Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates at the end of the reporting period, with all other variables held constant:-

	The Group	
	2021	**2020**
	RM	**RM**
Loss after taxation		
Increase of 100 basis point	**(695,545)**	(913,969)
Decrease of 100 basis point	**695,545**	913,969

	The Company	
	2021	**2020**
	RM	**RM**
Loss after taxation		
Increase of 100 basis point	**(7,078)**	(7,540)
Decrease of 100 basis point	**7,078**	7,540

(iii) Equity Price Risk

The Company does not have any quoted investments and hence, is not exposed to equity price risk.

(b) Credit Risk

The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including quoted investments, cash and bank balances and derivatives), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Company's exposure to credit risk arises principally from loans and advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the results of these subsidiaries regularly and repayments made by the subsidiaries.

(i) Credit Risk Concentration Profile

The Group's major concentration of credit risk relates to the amounts owing by 3 (2020 - 3) customers which constituted approximately 68% (2020 – 74%) of its trade receivables (including related parties) at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

48. FINANCIAL INSTRUMENTS (CONT'D)

48.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(ii) Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

(iii) Assessment of Impairment Losses

At each reporting date, the Group assesses whether any of the financial assets at amortised cost, contract assets are credit impaired.

The gross carrying amounts of financial assets are written off when there is no reasonable expectation of recovery (i.e. the debtor does not have assets or sources of income to generate sufficient cash flows to repay the debt) despite the fact that they are still subject to enforcement activities.

Trade Receivables and Contract Assets

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables (including related parties) and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. Therefore, the Group concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

For certain large customers or customers with a high risk of default, the Group assesses the risk of loss of each customer individually based on their financial information, past trends of payments and external credit rating, where applicable.

Also, the Group considers any trade receivables having financial difficulty or in default with significant balances outstanding for more than 90 days are deemed credit impaired and assesses for their risk of loss individually.

The expected loss rates are based on the payment profiles of sales over a period of 12 months and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle their debts.

For construction contracts, the Group assessed the expected credit loss of each customer individually based on their financial information and past trends of payments as there are only a few customers. All of these customers have a low risk of default as they have a strong capacity to meet their debts.

For property development, purchasers are generally financed by loan facilities from reputable financiers. In addition, the credit risk is limited as the ownership and rights to the properties sold will revert to the Group in the event of default, and the products do not suffer from physical, technological and fashion obsolescence. Therefore, there is minimal exposure to credit risk.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

48. FINANCIAL INSTRUMENTS (CONT'D)

48.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets (Cont'd)

The information about the exposure to credit risk and the loss allowances calculated under MFRS 9 for both trade receivables and contract assets are summarised below:-

	Gross Amount RM	Collective Impairment RM	Carrying Amount RM
The Group			
2021			
Current (not past due)	**20,355,995**	**(7,283)**	**20,348,712**
1 to 30 days past due	**7,225,415**	**(53,144)**	**7,172,271**
31 to 60 days past due	**996,362**	**(1,368)**	**994,994**
61 to 90 days past due	**1,226,628**	**(4,547)**	**1,222,081**
91 to 120 days past due	**1,500,623**	**(2,574)**	**1,498,049**
121 to 150 days past due	**4,182,087**	**(218,507)**	**3,963,580**
More than 150 days past due	**45,867,469**	**(3,201,301)**	**42,666,168**
Trade receivables	**81,354,579**	**(3,488,724)**	**77,865,855**
Contract assets	**68,836,099**	**(35,408)**	**68,800,691**
	150,190,678	**(3,524,132)**	**146,666,546**
2020			
Current (not past due)	20,829,342	–	20,829,342
1 to 30 days past due	3,484,408	–	3,484,408
31 to 60 days past due	365,426	–	365,426
61 to 90 days past due	1,078,561	–	1,078,561
91 to 120 days past due	361,482	–	361,482
121 to 150 days past due	1,498,130	–	1,498,130
More than 150 days past due	58,075,866	–	58,075,866
Trade receivables	85,693,215	–	85,693,215
Contract assets	41,573,750	–	41,573,750
	134,445,825	–	134,445,825

The movements in the loss allowances in respect of trade receivables and contract assets are disclosed in Notes 16 and 18 to the financial statements respectively.

48. FINANCIAL INSTRUMENTS (CONT'D)

48.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other Receivables

The Group applies the 3-stage general approach to measuring expected credit losses for its other receivables. Under this approach, the Group assesses whether there is a significant increase in credit risk on the receivables by comparing their risk of default as at the reporting date with the risk of default as at the date of initial recognition based on available reasonable and supportable forward-looking information. Regardless of the assessment, a significant increase in credit risk is presumed if a receivable is more than 30 days past due in making a contractual payment.

The Group considers a receivable is credit impaired when the receivable is in significant financial difficulty, for instances, the receivable is in breach of financial covenants or insolvent. Receivables that are credit impaired are assessed individually while other receivables are assessed on a collective basis.

Based on the assessment performed, the identified impairment loss was immaterial and hence, it is not provided for.

Fixed Deposits with Licensed Banks and Bank Balances

The Group considers these banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group is of the view that the loss allowance is immaterial and hence, it is not provided for.

Amount Owing By Subsidiaries

The Company applies the 3-stage general approach to measuring expected credit losses for all inter-company balances. Generally, the Company considers loans and advances to subsidiaries have low credit risks. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers a subsidiary's loan or advance to be credit impaired when the subsidiary is unlikely to repay its loan or advance in full or the subsidiary is continuously loss making or the subsidiary is having a deficit in its total equity.

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

Financial Guarantee Contracts

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

48. FINANCIAL INSTRUMENTS (CONT'D)

48.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group practises prudent risk management by maintaining sufficient cash balances.

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 year RM	1 – 5 Years RM	Over 5 Years RM
The Group					
2021					
Non-derivative Financial Liabilities					
Lease liabilities	**10,834,486**	**13,042,979**	**2,391,978**	**10,651,001**	**–**
Bank overdraft	**9,762,915**	**9,762,915**	**9,762,915**	**–**	**–**
Revolving credits	**23,098,011**	**23,098,011**	**23,098,011**	**–**	**–**
Banker acceptance	**18,582,000**	**18,582,000**	**18,582,000**	**–**	**–**
Term loan	**52,092,156**	**53,660,598**	**53,660,598**	**–**	**–**
Amount owing to associates	**14,337,973**	**14,337,973**	**14,337,973**	**–**	**–**
Amount owing to related parties	**16,644,479**	**16,644,479**	**16,644,479**	**–**	**–**
Amount owing to directors	**173,257**	**173,257**	**173,257**	**–**	**–**
Trade payables	**161,399,413**	**161,399,413**	**161,399,413**	**–**	**–**
Other payables and accrual	**62,989,099**	**62,989,099**	**62,989,099**	**–**	**–**
	369,913,789	**373,690,724**	**363,039,723**	**10,651,001**	**–**
2020					
Non-derivative Financial Liabilities					
Lease liabilities	3,585,181	3,585,181	2,876,894	682,835	25,452
Bank overdraft	16,106,056	16,106,056	16,106,056	–	–
Revolving credits	23,115,773	23,115,773	23,115,773	–	–
Banker acceptance	23,048,000	23,048,000	23,048,000	–	–
Term loan	71,195,725	76,980,662	45,785,407	31,195,255	–
Trade payables	115,359,786	115,359,786	115,359,786	–	–
Other payables and accrual	71,043,411	71,043,411	71,043,411	–	–
	327,799,944	329,238,869	297,335,327	31,878,090	25,452

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

48. FINANCIAL INSTRUMENTS (CONT'D)

48.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 year RM	1 – 5 Years RM	Over 5 Years RM
The Company					
2021					
Non-derivative Financial Liabilities					
Lease liabilities	**10,596,759**	**12,866,663**	**2,308,674**	**10,557,989**	**–**
Amount owing to subsidiaries	**65,189,892**	**65,189,892**	**65,189,892**	**–**	**–**
Bank overdraft	**931,285**	**931,285**	**931,285**	**–**	**–**
Revolving credits	**1,000,000**	**1,000,000**	**1,000,000**	**–**	**–**
Other payables	**16,244,913**	**16,244,913**	**16,244,913**	**–**	**–**
	93,962,849	**96,232,753**	**85,674,764**	**10,557,989**	**–**
2020					
Non-derivative Financial Liabilities					
Lease liabilities	2,205,264	2,460,398	1,900,058	560,340	–
Amount owing to subsidiaries	62,160,126	62,160,126	62,160,126	–	–
Amount owing to associates	1,821,802	1,821,802	1,821,802	–	–
Bank overdraft	992,157	992,157	992,157	–	–
Revolving credits	1,015,347	1,015,347	1,015,347	–	–
Other payables and accruals	12,153,955	12,153,955	12,153,955	–	–
	80,348,651	80,603,785	80,043,445	560,340	–

The contractual undiscounted cash flows represent the outstanding credit facilities of the immediate holding company at the end of the reporting period. The financial guarantees have not been recognised in the financial statements since their fair value on initial recognition were not material.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

48. FINANCIAL INSTRUMENTS (CONT'D)

48.2 CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that the Group will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholders' value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group monitors and maintains capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total equity attributable to the owner of the Group. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statements of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of the financial position plus net debt.

The gearing ratio at the reporting date was as follows:-

	The Group	
	2021 RM	**2020 RM**
Bank borrowings	**93,772,167**	117,359,498
Bank overdrafts	**9,762,915**	16,106,056
Lease liabilities	**10,834,486**	3,585,181
	114,369,568	137,050,735
Less: Short-term investments	**(4,862,906)**	(2,037,886)
Less: Fixed deposits with licensed banks	**(10,640,305)**	(10,401,809)
Less: Cash and bank balances	**(13,889,886)**	(15,162,880)
Net debt	**84,976,471**	109,448,160
Total equity	**90,671,011**	98,558,521
Gearing ratio	**0.94**	1.11

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

48. FINANCIAL INSTRUMENTS (CONT'D)

48.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group 2021 RM	The Group 2020 RM	The Company 2021 RM	The Company 2020 RM
Financial Assets				
Fair Value Through Profit or Loss				
Other investments	**33,500**	33,500	**33,500**	33,500
Short-term investments	**4,862,906**	2,037,886	**–**	–
	4,896,406	2,071,386	**33,500**	33,500
Amortised Cost				
Trade receivables	**77,865,855**	85,693,215	**–**	–
Other receivables	**50,593,446**	10,145,824	**173,395**	–
Amount owing by subsidiaries	**–**	–	**56,213,709**	55,377,761
Amount owing by associates	**1,607,349**	737	**1,580,349**	737
Amount owing by joint venture	**68,216**	–	**52,422**	–
Amount owing by related parties	**4,207,331**	7,178,860	**–**	–
Fixed deposits with licensed banks	**10,640,305**	10,401,809	**3,863,053**	3,805,123
Cash and bank balances	**13,889,886**	15,162,880	**361,535**	2,888,984
	158,872,388	128,583,325	**62,192,041**	62,072,605

	The Group 2021 RM	The Group 2020 RM	The Company 2021 RM	The Company 2020 RM
Financial Liabilities				
Amortised Cost				
Trade payables	**161,399,413**	105,085,455	**–**	–
Other payables and accruals	**66,989,099**	72,970,214	**16,245,463**	12,153,955
Amount owing to subsidiaries	**–**	–	**65,189,892**	62,160,126
Amount owing to associates	**14,337,973**	–	**–**	–
Amount owing to related parties	**16,644,479**	12,124,484	**–**	1,821,802
Amount owing to directors	**173,257**	–	**–**	–
Lease liabilities	**10,834,486**	3,585,181	**10,596,759**	2,205,264
Long-term borrowings	**–**	35,783,246	**–**	–
Short-term borrowings	**93,772,167**	81,576,252	**1,000,000**	1,015,347
Bank overdrafts	**9,762,915**	16,106,056	**931,285**	992,157
	369,913,789	327,230,888	**93,963,399**	80,348,651

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

48. FINANCIAL INSTRUMENTS (CONT'D)

48.4 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:-

	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments Not Carried at Fair Value			Total Fair Value	Carrying Amount
	Level 1 RM	Level 2 RM	Level 3 RM	Level 1 RM	Level 2 RM	Level 3 RM	RM	RM
The Group								
2021								
Financial assets								
Other investments	**–**	**–**	**33,500**	**–**	**–**	**–**	**33,500**	**33,500**
Short-term investments	**–**	**4,862,906**	**–**	**–**	**–**	**–**	**4,862,906**	**4,862,906**
2020								
Financial assets								
Other investments	–	–	33,500	–	–	–	33,500	33,500
Short-term investments	–	2,037,886	–	–	–	–	2,037,886	2,037,886

(a) Fair Value of Financial Instruments Carried at Fair Value

(i) The fair value for golf club memberships is estimated based on references to current available counterparty quotations of the same investments.

(ii) The fair value of money market funds is determined based on the fund managers' statements at the reporting date.

There were no transfers between level 1 and level 2 during the financial year.

(b) Fair Value of Financial Instruments Not Carried at Fair Value

The fair value of the Group's term loans and borrowings that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

49. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR AND SUBSEQUENT EVENTS

Effect of outbreak of coronavirus pandemic

The COVID-19 pandemic which started in early 2020 and the implementation of the various Movement Control Orders ("MCO") by the Malaysian Government since March 2020 has caused disruptions to business and operation across many industries and dampened economic activities globally and domestically. At the time of writing in August 2021, the Government has announced a National Recovery Plan that will see various sectors of the economy and social activities being re-opened over the course of four phases. The progress from Phase 1 to Phase 4 will be dependent three key headline indicators of daily number of COVID-19 cases, percentage of adult population that are fully vaccinated and the utilisation of Intensive Care Unit ("ICU") beds. At this moment in time, all states in Malaysia are in Phase 1 and Phase 2, with the exception of Sarawak, Labuan and Perlis which are both in Phase 3.

To date, the Government has introduced 8 stimulus and aid packages amounting to more than RM530 billion. All these packages, and with the Budget 2021 contributing another RM320 billion, are aimed at ensuring recovery of the livelihood of the people, and to improve the resilience of the economy in the coming years. In addition, the commendable progress on the national vaccination programme, with the rate of full vaccination hitting 48.7% as at 18 August 2021, will place the country on the right recovery track.

The Group has been closely monitoring events related to the COVID-19 pandemic and actively implementing measures to mitigate adverse impact on its business activities. It is expected that the financial performance of the Group in the coming reporting periods will be affected due to the various restrictions imposed by the MCOs. However, owing to the dynamic nature of the guidelines that have been put in place during the MCOs, it is not possible to put an accurate figure to the impact of Covid-19 in terms of financial value. The Board of Directors is however confident that the Group is well placed to capitalise on the recovery of the economy in the coming year as the National Recovery Plan is rolled out.

Non-binding Offer To Purchase Equity Interests In Certain Subsidiaries And Associated Companies of Ireka Corporation Berhad ("Ireka")

On 5 July 2021, the Board of Ireka announced that the Company had received a letter for the non-binding offer dated 5 July 2021 from the substantial shareholder of the Company, Ideal Land Holdings Sdn Bhd ("ILHSB") to purchase all of the Group's equity interest in subsidiaries and associated companies involved in property development, property management, urban transportation and information technology business for an indicative offer price of RM40 million ("Offer"). The Offer is subject to ILHSB or its nominee entering into a binding definitive conditional sale and purchase agreement with the Group within 30 days of the Letter of Offer, which on 4 August 2021 was extended by a further 30 days.

In view of the interests of certain directors of the Company in ILHSB, namely Datuk Lai Siew Wah (resigned on 5 July 2021), Datuk Lai Voon Hon (resigned on 19 August 2021), Lai Voon Huey, Monica and Chan Chee Kian (collectively known as "Interested Directors"), the Interested Directors and persons connected with them, if any, will abstain from all deliberations and voting at the relevant Board meetings pertaining to the Offer.

The Board (save for the Interested Directors) will deliberate on the Offer and decide on the next course of action.

Private placement for fund raising requirements for Ireka

On 22 July 2021, the Board of Ireka announced that the Company proposed to undertake a private placement of up to 10% of the total number of issued shares of the Company to third party investor(s) to be identified later and at an issue price to be determined later.

On 28 July 2021, the first tranche of the private placement was fixed at RM0.6357 per placement share and the exercise was completed thereafter.

Subsequently, on 19 August 2021, the second tranche of the private placement was fixed at RM0.5746 per placement share. This exercise has yet to be completed as at the date of this report.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

50. PRIOR YEAR ADJUSTMENTS

In accordance with MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors, the prior year adjustments will be applied retrospectively. The details of the prior year adjustments and the effects of the restatement of the financial statements are summarised below:-

The Group	As Previously Reported RM	Note	Effect of Prior year adjustment RM	As restated RM
Statement of financial position (extract)				
As at 1.4.2019				
CURRENT ASSETS				
Inventories	130,305,854	(a),(b),(c)	3,830,631	134,136,485
EQUITY				
Accumulated losses	63,654,491	(a),(b),(c),(d)	(17,348,425)	46,306,066
Non-controlling interest	(27,163,569)	(d)	13,517,795	(13,645,774)

The prior year adjustments relate to the following:-

(a) The Group had expensed off borrowing costs amounting to RM5,224,597 which were previously capitalised in inventories - property development cost due to a change in accounting policy. Under the IFRIC Agenda Decision, the cumulative effects of initial application of MFRS 123 are adjusted as a prior year adjustment to the opening balances in the financial statements.

(b) Site office and showhouse expenses amounting to RM1,293,332 which were previously capitalised in inventories - property development cost.

(c) Adjustment of unrealised profit amounting to RM10,348,560.

(d) Gain on dilution in a subsidiary not taken up.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

50. PRIOR YEAR ADJUSTMENTS (CONT'D)

In accordance with MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors, the change to be applied retrospectively. The effects of the restatement of the financial statements are summarised below:- (Cont'd)

The Group	As Previously Reported RM	Note	Effect of Prior year adjustment RM	As restated RM
Statements of financial position (extract)				
As at 31.3.2020				
CURRENT ASSETS				
Trade and other receivables	113,449,882	(a)	(4,531,000)	108,918,882
Inventories	174,205,473	(b),(c),(d)	3,249,040	177,454,503
Contract assets	43,642,968	(e)	(2,069,218)	41,573,750
EQUITY				
Accumulated losses	102,065,104	(a),(b),(c),(d), (e), (g),(h)	(1,972,024)	100,093,080
Non-controlling interest	(35,586,399)	(f)	(16,353,084)	(19,233,315)
CURRENT LIABILITIES				
Trade and other payables	(194,334,390)	(g),h)	(11,029,872)	(205,364,262)
Statement of profit or loss and other comprehensive Income (extract)				
As at 31.3.2020				
COST OF SALES	(124,239,405)	(a),(c),(d), (e),(g)	(16,799,852)	(141,039,257)
ADMINISTRATIVE EXPENSES	(20,721,026)	(h)	(793,866)	(21,514,892)
FINANCE COST	(9,076,889)	(b)	(617,973)	(9,694,862)
LOSS AFTER TAXATION ATTRIBUTABLE TO:-				
Owners of the Company	(40,362,570)		(18,211,691)	(58,574,261)

The prior year adjustments relate to the following:-

(a) Reversal of liquidated ascertained damages over-charged to subcontractors.

(b) The Group had expensed off the borrowing costs amounting to RM617,973 to finance cost and reversed the borrowing costs amounting to RM5,842,569 which were previously capitalised in inventories - property development cost due to change in accounting policy. Under the IFRIC Agenda Decision, the cumulative effects of initial application of MFRS 123 are adjusted as a prior year adjustment to the opening balances in the financial statements.

(c) Adjustment of site office and showhouse expenses amounting to RM2,300,678 to cost of sales and RM3,594,010 which were previously capitalised in the inventory - property development cost.

(d) Adjustment of unrealised profit amounting to RM12,685,609 in inventories and RM2,337,050 in cost of sales respectively.

(e) Reversal of cost wrongly captured in contract assets.

(f) Gain on dilution in a subsidiary not taken up.

(g) Construction cost for projects amounting to RM10,236,006 not taken up.

(h) Director's retirement benefits amounting to RM793,866 not taken up.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

50. PRIOR YEAR ADJUSTMENTS (CONT'D)

In accordance with MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors, the change to be applied retrospectively. The effects of the restatement of the financial statements are summarised below:- (Cont'd)

The Company	As Previously Reported RM	Note	Effect of Prior year adjustment RM	As restated RM
Statements of financial position (extract)				
As at 31.3.2020				
CURRENT ASSET				
AMOUNT OWINGI BY SUBSIDIARIES	56,113,544	(a)	(735,783)	55,377,761
CURRENT LIABILITY				
AMOUNT OWING TO SUBSIDIARIES	(62,195,864)	(a)	35,738	(62,160,126)
EQUITY				
RETAINED EARNINGS	(77,684,809)	(a)	700,045	(76,984,764)
Statement of profit or loss and other comprehensive Income (extract)				
As at 31.3.2020				
REVENUE	12,407,160	(a)	(700,045)	11,707,115

(a) Reversal of management fee over-taken up.

51. COMPARATIVE FIGURE

The following figures have been reclassified to conform with the presentation of the current financial year:-

	The Group	
31.3.2020	As previously reported RM	As restated RM
Statement of financial position (extract)		
CURRENT ASSETS		
Inventories	177,454,503	156,946,559
Contract cost	–	20,507,944
Trade and other receivables	108,918,882	–
Trade receivables	–	85,693,215
Other receivables, deposits and prepayments	–	16,046,807
Amount owing by related parties	–	7,178,860
Cash And cash equivalents	27,602,575	–
Short-term investments	–	2,037,886
Fixed deposits with licensed banks	–	10,401,809
Cash and bank balances	–	15,162,880

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021 (CONT'D)

51. COMPARATIVE FIGURE (CONT'D)

The following figures have been reclassified to conform with the presentation of the current financial year (Cont'd):-

31.3.2020	The Group As previously reported RM	 As restated RM
Statement of financial position (extract)		
CURRENT LIABILITIES		
Trade and other payables	(205,364,262)	–
Trade payables	–	(115,359,786)
Other payables and accrual	–	(77,879,992)
Amount owing to related parties	–	(12,124,484)

31.3.2020	The Company As previously reported RM	 As restated RM
Statement of financial position (extract)		
CURRENT ASSETS		
Trade and other receivables	2,598,544	–
Cash and cash equivalents	6,694,107	–
Other receivables, deposits and prepayments	–	1,595,007
Fixed deposits with licensed banks	–	3,805,123
Cash and bank balances	–	2,888,984
Finance lease receivables	–	1,003,537
CURRENT LIABILITIES		
Trade and other payables	(13,975,757)	–
Other payables and accruals	–	(12,153,955)
Amount owing to related parties	–	(1,821,802)
Short term borrowings	(2,007,504)	(1,015,347)
Bank overdraft	–	(992,157)
Statement of profit or loss and other comprehensive Income (extract)		
Administrative expenses	12,182,972	14,179,326
Other expenses	9,021,393	1,145,340
Finance cost	1,048,108	1,107,305
Net impairment loss on financial assets	–	5,820,502

ANALYSIS OF SHAREHOLDINGS

AS AT 9 AUGUST 2021

Total number of issued shares : 196,208,050 Ordinary Shares
Voting rights : 1 vote per Ordinary Share

DISTRIBUTION OF SHAREHOLDINGS

Size of holdings	No. of shareholders	% of shareholders	No. of shares	% of shareholdings
Less than 100	70	2.24	1,324	0.00
100 – 1,000	747	23.90	650,080	0.33
1,001 – 10,000	1,617	51.75	7,671,633	3.91
10,001 – 100,000	586	18.75	17,367,841	8.85
100,001 – less than 5% of issued shares	103	3.30	65,709,372	33.49
5% and above of issued shares	2	0.06	104,807,800	53.42
Total	**3,125**	**100.00**	**196,208,050**	**100.00**

DIRECTORS' SHAREHOLDINGS

Directors	Direct		Indirect	
	No. of shares	%	No. of shares	%
Mohd Hasnul Ismar bin Mohd Ismail	–	–	2,452,300^	1.25
Datuk Lai Voon Hon *(resigned on 19 August 2021)*	18,000	0.01	11,831,794*	6.03
Lai Voon Huey, Monica	9,000	0.00#	11,831,794*	6.03
Tan Thiam Chai	29,250	0.01	–	–
Chan Chee Kian	–	–	–	–
Chow Sung Chek Simon	–	–	–	–
Hoe Kah Soon	–	–	–	–
Dato' Azmi bin Abdullah	–	–	–	–
Shahruladeri bin Mohamad Adnan	–	–	–	–

SUBSTANTIAL SHAREHOLDERS' HOLDINGS

Substantial Shareholders	Direct		Indirect	
	No. of shares	%	No. of shares	%
Kenanga Investors Bhd	55,929,700	28.51	–	–
Ideal Land Holdings Sdn Bhd	11,831,794	6.03	–	–
Datuk Lai Siew Wah	–	–	11,831,794*	6.03
Datuk Lai Voon Hon	18,000	0.01	11,831,794*	6.03
Lai Voon Huey, Monica	9,000	0.00#	11,831,794*	6.03
Lai Voon Keat	–	–	11,831,794*	6.03
Lai Voon Wai	–	–	11,831,794*	6.03
Liw Yoke Yin	18,000	0.01	11,831,794*	6.03

Notes:
* Deemed interests through Ideal Land Holdings Sdn Bhd
^ Deemed interests through Shoraka Capgroup Sdn Bhd
\# Negligible

ANALYSIS OF SHAREHOLDINGS
AS AT 9 AUGUST 2021

THIRTY (30) LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	Citigroup Nominees (Tempatan) Sdn Bhd (Exempt An for Kenanga Investors Bhd)	55,929,700	28.51
2	Maybank Nominees (Tempatan) Sdn Bhd (Exempt An for Kenanga Investors Bhd (Clients' Account))	48,878,100	24.91
3	Ideal Land Holdings Sdn Bhd	7,002,997	3.57
4	Capital Improvement Sdn Bhd	5,000,000	2.55
5	Kenanga Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Ideal Land Holdings Sdn Bhd)	4,828,797	2.46
6	UOB Kay Hian Nominees (Asing) Sdn Bhd (Exempt An for UOB Kay Hian Pte Ltd (A/C Clients))	4,504,000	2.30
7	RHB Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Chan Soo Har @ Chan Kay Chong)	2,765,625	1.41
8	Maybank Nominees (Tempatan) Sdn Bhd (Lim Yoke Cho)	2,710,800	1.38
9	Maybank Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Shoraka Capgroup Sdn Bhd)	2,452,300	1.25
10	Maybank Nominees (Asing) Sdn Bhd (Exempt An for Kenanga Investors Bhd (Clients' Account) (426791))	2,121,900	1.08
11	Sapiah @ Safiah binti Hussin	1,600,000	0.82
12	Abdullah bin Yusof	1,500,000	0.76
13	HSBC Nominees (Tempatan) Sdn Bhd (Exempt An for Caceis Bank (SW-CSG-MY RES))	1,500,000	0.76
14	Lim Yoke Eng	1,450,000	0.74
15	Teoh Fong Ping	1,190,000	0.61
16	Kwok Yoke How	1,166,600	0.59
17	Lim Sow Mun	900,000	0.46
18	Nor Haizar Azrah binti Mohd Yusof	862,100	0.44
19	Tan Hwa Ling @ Tan Siew Leng	834,800	0.43
20	Public Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Ching Soon Liang (E-TWU))	826,800	0.42

ANALYSIS OF SHAREHOLDINGS
AS AT 9 AUGUST 2021

THIRTY (30) LARGEST SHAREHOLDERS (cont'd)

NO.	NAME	NO. OF SHARES	%
21	Kenanga Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Tan Theng Liang)	825,000	0.42
22	Public Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Ng Ling Siew (E-SS2))	753,000	0.38
23	Low Lay Mooi	660,000	0.34
24	Sng Chong Keong	650,000	0.33
25	Tan Theng Liang	632,800	0.32
26	Kwok Yoke How	576,003	0.29
27	Aria Putera bin Ismail	555,500	0.28
28	Chan Soo Har @ Chan Kay Chong	511,500	0.26
29	Maybank Securities Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Mohd Rizal bin Mohd Jaafar (STF))	508,900	0.26
30	CGS-CIMB Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Mohd Zulkefli bin Mohd Abdah (MY1571))	500,000	0.25

LIST OF MATERIAL PROPERTIES
AS AT 31 MARCH 2021

No.	Location	Tenure	Approximate Land Area/ Built-up Area (sq. ft.)	Description	Age (years)	Net Book Value (RM)	Year of Acquisition
1	Lot PT 4048, Lot PT 4050 to PT 4053 Bandar Nilai Utama Putra Nilai Daerah Seremban	Freehold	999,424	Residential land for development	N/A	16,538,867	2011
2	Lot PT 17741, Mukim Batu Kuala Lumpur, Level 30 & 31 1 Mont' Kiara, Mont' Kiara Kuala Lumpur	Freehold	18,406	Office suites for investment	11	11,411,992	2007
3	Lot PT 17741, Mukim Batu Kuala Lumpur, Sectors 3, 5-7, 11-12 i-ZEN@Kiara II Mont' Kiara Kuala Lumpur	Freehold	16,221	Office space for own/ external use	14	7,977,946	2007
4	Lot 8850, Mukim of Kajang Daerah Ulu Langat Selangor Darul Ehsan	Freehold	220,790	Agricultural land for future development	N/A	2,097,653	2011
5	GRN 280415, Lot 3911 Mukim Sungai Gumut Daerah Ulu Selangor Selangor Darul Ehsan	Freehold	44,476	Homesteads for investment	N/A	439,570	1995
6	GRN 280622, Lot 4019 Mukim Sungai Gumut Daerah Ulu Selangor Selangor Darul Ehsan	Freehold	46,368	Homesteads for investment	N/A	278,208	2002
7	Lot PT 2396 Mukim Kuala Kalumpang Daerah Ulu Selangor Selangor Darul Ehsan	Freehold	7,185	Bungalow lot for investment	N/A	179,625	2002
8	Geran 42276/M2/2/44 Lot 32432 Mukim of Plentong Johor Darul Takzim	Freehold	824	Walk-up flat for investment	34	37,098	1987

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 45th Annual General Meeting of Ireka Corporation Berhad (the '**Company**') will be conducted fully virtual from the online meeting platform at https://meeting.boardroomlimited.my provided by Boardroom Share Registrars Sdn Bhd on Tuesday, 28 September 2021 at 10.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1 To receive the Audited Financial Statements of the Company and of the Group for the financial year ended 31 March 2021 together with the reports of the Directors and the Auditors thereon. *(Please refer to Explanatory Note 1)*

2 To approve the payment of Audit Committee fees of RM26,000.00 and Directors' fees of RM370,000.00 for the financial year ended 31 March 2021. ***Ordinary Resolution 1*** *(Please refer to Explanatory Note 2)*

3 To re-elect Chan Chee Kian who retires in accordance with Clause 102 of the Company's Constitution and, being eligible, offer himself for re-election. ***Ordinary Resolution 2*** *(Please refer to Explanatory Note 3)*

Hoe Kah Soon who retires by rotation pursuant to Clause 102 of the Company's Constitution has expressed his intention of not seeking re-election. Hence, he will retain office until the conclusion of the 45th Annual General Meeting.

4 To elect the following Directors who retire in accordance with Clause 101 of the Company's Constitution and, being eligible, offer themselves for election:-

a. Mohd Hasnul Ismar bin Mohd Ismail ***Ordinary Resolution 3***
b. Chow Sung Chek Simon ***Ordinary Resolution 4***
c. Shahruladeri bin Mohamad Adnan ***Ordinary Resolution 5***
d. Tan Sri Dato' Mohd Ismail bin Che Rus ***Ordinary Resolution 6***

5 To re-appoint Messrs. Crowe Malaysia PLT as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration to be fixed by the Directors. ***Ordinary Resolution 7***

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Resolutions:

6 **Proposed Renewal of Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016** ***Ordinary Resolution 8*** *(Please refer to Explanatory Note 4)*

'**THAT** subject to the Companies Act 2016, Bursa Malaysia Securities Berhad's Main Market Listing Requirements, the Company's Constitution and approvals of any other relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company at any time, at such price, upon such terms and conditions, for such purposes and to such person(s) whomsoever as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of new shares issued pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 20% of the total number of issued shares of the Company for the time being ("20% General Mandate") and **THAT** such approval of the 20% General Mandate shall continue to be in force until 31 December 2021.

NOTICE OF ANNUAL GENERAL MEETING

THAT with effect from 1 January 2022, the general mandate shall be reinstated from a 20% limit to a 10% limit provided that the aggregate number of such new shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer by the Company pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares of the Company for the time being ("10% General Mandate").

THAT such approval of the 10% General Mandate shall continue to be in force until:

(a) the conclusion of the next Annual General Meeting ("AGM") of the Company held after the approval was given;
(b) the expiration of the period within which the next AGM of the Company is required to be held after the approval was given; or
(c) revoked or varied by resolution passed by the shareholders of the Company in a general meeting, whichever is the earlier.

THAT the Directors of the Company be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Main Market of Bursa Malaysia Securities Berhad.

AND THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give full effect to the 20% General Mandate and 10% General Mandate.'

7 **Proposed Renewal of General Mandate for Recurrent Related Party Transactions** ***Ordinary Resolution 9*** *(Please refer to Explanatory Note 5)*

'**THAT** subject to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries ('the Group') to enter into and give effect to specified recurrent transactions of a revenue or trading nature with specified classes of Related Parties (as set out in Section 2.2.2 of the Circular to Shareholders dated 30 August 2021) which are necessary for the Group's day-to-day operations in the ordinary course of business and are carried out at arm's length basis on normal commercial terms and on terms not more favourable to the Related Parties than those generally available to the public and are not detrimental to minority shareholders of the Company ('Proposed General Mandate') and such approval shall continue to be in force until:

a) the conclusion of the next Annual General Meeting of the Company following the general meeting at which such Mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;

b) the expiration of the period within which the next Annual General Meeting is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or

c) revoked or varied by ordinary resolution passed by the shareholders in a general meeting,

NOTICE OF ANNUAL GENERAL MEETING

whichever is the earlier, and that for the avoidance of doubt, all such transactions entered into by the Group prior to the date of this resolution be and are hereby approved and ratified.

AND THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give full effect to the Proposed General Mandate.'

8 **Proposed Renewal of Share Buy-back Authority** ***Ordinary Resolution 10***
(Please refer to Explanatory Note 6)

'**THAT** subject to the Companies Act 2016 ('the Act'), Bursa Malaysia Securities Berhad's Main Market Listing Requirements, the Company's Constitution and approvals of any other relevant governmental/regulatory authorities, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company ('Proposed Share Buy–Back') as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities Berhad upon such terms and conditions as the Directors may deem fit in the interest of the Company provided that the aggregate number of shares purchased pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company and the amount allocated shall not exceed the latest audited retained profits of the Company.

THAT such authority shall commence immediately upon passing of this ordinary resolution until the conclusion of the next Annual General Meeting of the Company unless earlier revoked or varied by ordinary resolution of shareholders of the Company in a general meeting or upon the expiration of the period within which the next Annual General Meeting is required by law to be held, whichever occurs earlier.

THAT upon completion of the purchases of the shares of the Company, the Directors of the Company be and are hereby authorised to cancel the shares so purchased or to retain the shares so purchased as treasury shares (of which may be dealt with in accordance with Section 127(7) of the Act), or to retain part of the shares so purchased as treasury shares and cancel the remainder or in any other manners as may be permitted by the relevant legislations and regulations.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise and to give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments as may be required or imposed by the relevant authorities and to do all such acts and things (including executing all documents) as the Directors may deem fit and in the best interest of the Company.'

9 To transact any other business for which due notice shall have been given in accordance with the Company's Constitution and the Companies Act 2016.

By order of the Board

WONG YIM CHENG (SSM PC No.: 202008002578) (MAICSA 7008092)
Company Secretary

Kuala Lumpur
30 August 2021

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY NOTES

1 **Item 1 of the Agenda - 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 does not require an approval of shareholders for the Audited Financial Statements. Hence, this item on the Agenda is not put forward for voting.

2 **Ordinary Resolution 1 - Payment of Audit Committee Fees and Directors' Fees**

Approval is sought from the shareholders for the payment of the Audit Committee's fees of RM10,000 for the chairman of the Audit Committee and RM8,000 for each member; and Directors' fees of RM50,000 for the Chairman of the Board and RM40,000 for each of the other board members for the financial year ended 31 March 2021. The details of which are set out in the Corporate Governance Overview Statement of this Annual Report.

3 **Ordinary Resolution 2 - Re-election of Director**

Clause 102 of the Company's Constitution states that all Directors shall retire from office at least once in every three (3) years, but shall be eligible for re-election. Clause 103 of the Company's Constitution provides that an election of Directors shall take place each year. This provides an opportunity for the shareholders to renew their mandates for the said Directors to continue to serve on the Board.

Chan Chee Kian is retiring pursuant to Clause 102 of the Company's Constitution, and being eligible, has offered himself for re-election at this Annual General Meeting.

The Board was satisfied with the performance of the abovementioned Director upon the assessment conducted by the Nomination & Remuneration Committee and hence, recommended their proposed re-election to be tabled for shareholders' approval at this Annual General Meeting. To assist the shareholders in their decision, information on his personal profile is provided on page 14 of the Annual Report.

Hoe Kah Soon, the Independent Non-executive Director of the Company will retire by rotation as a director in accordance with Clause 102 of the Company's Constitution. As he will not be seeking re-election, Hoe Kah Soon will retire at the conclusion of this Annual General Meeting.

4 **Ordinary Resolution 8 - Proposed Renewal of Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016**

Pursuant to the letter dated 16 April 2020 issued by Bursa Malaysia Securities Berhad, listed issuers are allowed to seek a higher limit of general mandate to issue shares of not more than 20% of the total number of issued shares (excluding treasury shares) ("20% General Mandate") to facilitate capital raising in a timely and cost effective manner during this challenging time due to the COVID-19 pandemic. The 20% General Mandate may be utilised by listed issuers to issue shares until 31 December 2021.

With effect from 1 January 2022, the 20% General Mandate will be reinstated to a 10% limit ("10% General Mandate") pursuant to Paragraph 6.03 of the Main Market Listing Requirements of Bursa Securities. The authority for the 10% General Mandate will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next AGM or the expiration of the period within which the next AGM is required by law to be held, whichever is earlier.

Having considered the current economic climate and future financial needs of the Group to ensure the long-term sustainability and interest of the Company and its shareholders, the Board would like to seek approval for this general mandate from its shareholders at the AGM. This Resolution, if passed, will empower the Directors to issue and allot shares in the Company, grant rights to subscribe for shares in the Company, convert any security into shares in the Company and/or allot shares under an agreement or option or offer, at any time at such price, upon such terms and conditions, for such purposes and to such person(s) as they consider would be in the interest of the Company.

The Board is of the view that the general mandate would be in the best interest of the Company and its shareholders as it would allow the Company to raise funds efficiently and expeditiously to meet its funding requirements, should the Company be required to do so. It will provide flexibility to the Company for any possible fund raising activities, including but not limited to placement of shares for the purpose of funding current and future investment(s), project(s), acquisition(s) and/or working capital. The general mandate is sought to avoid any delay and cost involved in convening a general meeting merely to approve such issue of shares.

NOTICE OF ANNUAL GENERAL MEETING

The Company had on 3 August 2021 issued and allotted a total of 9,500,000 new ordinary shares at RM0.6357 per share under a private placement pursuant to the general mandate which was approved by the shareholders at the Company's 44th Annual General Meeting held on 29 September 2020 ("Mandate 2020"). The Company had subsequently on 26 August 2021 issued and allotted an additional total of 9,170,800 new ordinary shares at RM0.5746 per share under a private placement pursuant to the Mandate 2020.

5 **Ordinary Resolution 9 - Proposed Renewal of General Mandate for Recurrent Related Party Transactions**

The Ordinary Resolution 9, if passed, will enable the Group to enter into recurrent transactions of a revenue or trading nature with related parties which are necessary for the Group's day-to-day operations, subject to the transactions being in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company. Further information on this resolution is set out in Part A of the Circular to Shareholders dated 30 August 2021.

6 **Ordinary Resolution 10 - Proposed Renewal of Share Buy-back Authority**

The Ordinary Resolution 10, if passed, will empower the Company to purchase its own shares of up to 10% of the total number of issued shares of the Company by utilising the funds allocated which shall not exceed the latest audited retained profits of the Company. Further information on this resolution is set out in Part B of the Circular to Shareholders dated 30 August 2021.

IMPORTANT NOTICE

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

NOTES ON PROXY

1 A member entitled to attend and vote is entitled to appoint not more than two (2) proxies to attend, speak and vote in his stead. A proxy need not be a member of the Company. When a member appoints two (2) proxies to attend the meeting, the member shall specify the proportion of his shareholdings to be represented by each proxy.

2 Where a member is an exempt authorised nominee ('EAN') 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 EAN may appoint in respect of each omnibus account it holds.

3 Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

4 The instrument appointing proxy(ies) shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. To be valid, the instrument appointing proxy(ies) and the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority, shall be deposited together with the Proxy Form.

5 The instrument appointing proxy(ies) or the power of attorney or other authority (if any), must be deposited at the Company's Registered Office at Level 18, Wisma Mont' Kiara, No. 1, Jalan Kiara, Mont' Kiara, 50480 Kuala Lumpur not less than 48 hours before the time set for holding the Meeting or at any adjournment thereof. Alternatively, the Proxy Form can be deposited electronically through the Boardroom Smart Investor Portal at https://investor.boardroomlimited.com not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

NOTICE OF ANNUAL GENERAL MEETING

6 Only members whose names appear in the Record of Depositors on **21 September 2021** shall be entitled to attend, speak and vote at the said meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.

7 Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Securities, all resolutions set out in the Notice of AGM will be put to vote by way of poll.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting ('AGM') and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof), and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the 'Purposes'); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

STATEMENT ACCOMPANYING THE NOTICE OF ANNUAL GENERAL MEETING

(PURSUANT TO PARAGRAPH 8.27(2) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD)

1. **Details of individuals who are standing for election as Directors (excluding directors standing for re-election)**

   The following Directors shall hold office until the conclusion of the 45th Annual General Meeting of the Company and, being eligible, offers themselves to stand for election at the 45th Annual General Meeting in accordance with Clause 101 of the Company's Constitution:-

   a. Mohd Hasnul Ismar bin Mohd Ismail *(appointed on 5 July 2021)*
   b. Chow Sung Chek Simon *(appointed on 5 July 2021)*
   c. Shahruladeri bin Mohamad Adnan *(appointed on 5 July 2021)*
   d. Tan Sri Dato' Mohd Ismail bin Che Rus *(appointed on 19 August 2021)*

   Their personal profile are disclosed under the Directors' Profile of this Annual Report and his shareholdings in the Company and its subsidiaries are set out in the Analysis of Shareholdings of this Annual Report.

2. **Statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

   Details of the general mandate to issue securities in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 are set out in the Explanatory Note 4 of the Notice of 45th Annual General Meeting.

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PROXY FORM

IREKA CORPORATION BERHAD
Registration No. 197501004146 (25882-A)
(Incorporated in Malaysia)

No. of Shares Held	CDS Account No.

I/We ______________________________ NRIC/Passport/Company No. ________________

of ____

being a member of Ireka Corporation Berhad, hereby appoint the following person(s) as my/our proxy:

Proxy 1	Full name		NRIC/Passport No.		No. of shares to be represented	Percentage
	Address					%
	Email address		Contact No.			
Proxy 2	Full name		NRIC/Passport No.		No. of shares to be represented	Percentage
	Address					%
	Email address		Contact No.			

or failing him/her, the Chairman of the Meeting, as my/our proxy, to attend and vote for me/us and on my/our behalf at the 45th Annual General Meeting ("AGM") of the Company to be conducted fully virtual from the online meeting platform at https://meeting.boardroomlimited.my provided by Boardroom Share Registrars Sdn Bhd on **Tuesday, 28 September 2021** at **10.00 a.m.** and at any adjournment thereof, on the following resolutions as set out in the Notice of the 45th AGM:

Resolutions		For	Against
Ordinary Resolution 1	To approve the payment of Audit Committee fees of RM26,000.00 and Directors' fees of RM370,000.00		
Ordinary Resolution 2	To re-elect Chan Chee Kian as a Director of the Company		
Ordinary Resolution 3	To elect Mohd Hasnul Ismar bin Mohd Ismail as a Director of the Company		
Ordinary Resolution 4	To elect Chow Sung Chek Simon as a Director of the Company		
Ordinary Resolution 5	To elect Shahruladeri bin Mohamad Adnan as a Director of the Company		
Ordinary Resolution 6	To elect Tan Sri Dato' Mohd Ismail bin Che Rus as a Director of the Company		
Ordinary Resolution 7	To re-appoint Messrs. Crowe Malaysia PLT as Auditors of the Company		
Ordinary Resolution 8	To propose the renewal of authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016		
Ordinary Resolution 9	To propose the renewal of general mandate for Recurrent Related Party Transactions		
Ordinary Resolution 10	To propose the renewal of Share Buy-back Authority		

Please indicate with an 'X' in the appropriate spaces how you wish your votes to be cast. If you do not indicate how you wish your proxy to vote on any resolutions, the proxy will vote as he thinks fit or, at his discretion, abstain from voting.

____
Signature/Common Seal of Member

Dated this ________day of __________________ 2021

Notes:

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

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4 *Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*

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5 *The instrument appointing proxy(ies) shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. To be valid, the instrument appointing proxy(ies) and the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority, shall be deposited together with the Proxy Form.*

6 *The instrument appointing proxy(ies) or the power of attorney or other authority (if any), must be deposited at the Company's Registered Office at Level 18, Wisma Mont' Kiara, No. 1, Jalan Kiara, Mont' Kiara, 50480 Kuala Lumpur not less than 48 hours before the time set for holding the Meeting or at any adjournment thereof. Alternatively, the Proxy Form can be deposited electronically through the Boardroom Smart Investor Portal at https://investor.boardroomlimited.com not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.*

7 *Only members whose names appear in the Record of Depositors on* **21 September 2021** *shall be entitled to attend, speak and vote at the said meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.*

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 30 August 2021.

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STAMP

IREKA CORPORATION BERHAD
Registration No. 197501004146 (25882-A)

Level 18, Wisma Mont' Kiara
No. 1, Jalan Kiara
Mont' Kiara
50480 Kuala Lumpur

ATTN: THE COMPANY SECRETARY

Please fold here to seal

IREKA

IREKA CORPORATION BERHAD
197501004146 (25882-A)

Level 18, Wisma Mont' Kiara
No. 1, Jalan Kiara, Mont' Kiara
50480 Kuala Lumpur, Malaysia

T : +603 6411 6388
F : +603 6411 6383
E : enquiry@ireka.com.my

www.ireka.com.my

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