MINETECH RESOURCES BERHAD

PROGRESSIVE ACTION WITH SUSTAINABLE EFFORTS

ANNUAL REPORT 2022

20th ANNUAL GENERAL MEETING

online meeting platform of TIIH Online website at https://tiih.online

TUESDAY, 30 Aug 2022

10.00 a.m.

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GROUP CORPORATE STRUCTURE

AS AT 30 JUNE 2022

MINETECH

- **QUARRY**
  - K.S. CHIN MINERALS SDN BHD 100%
    - ADVANCE SOLAR SDN BHD 100%
      - OPTIMIS DINAMIK SDN BHD 100%
      - MINETECH BIDOR QUARRY SDN BHD 100%
- **CONSTRUCTION**
  - MINETECH CONSTRUCTION SDN BHD 100%
    - CORAL EVERGREEN SDN BHD 100%
    - MRB MAJUCONSTRUCT SDN BHD 80%
- **PROPERTY DEVELOPMENT**
  - MRB PROPERTY SDN BHD 100%
  - HARAPAN IRINGAN SDN BHD 100%
  - MEDIUM VISA SDN BHD 100%
  - MINETECH REALTY SDN BHD 100%
- **MANUFACTURING**
  - MINETECH PREMIX SDN BHD 100%
  - MINETECH ASPHALT MAN INTERNATIONAL SDN BHD 85%
- **ENERGY**
  - CORAL POWER SDN BHD 70%
  - CORAL ENERGY SDN BHD 100%
- **FINANCIAL TECHNOLOGY**
  - TECHMILE RESOURCES SDN BHD 100%
    - UNIQA (M) SDN BHD 60%
- **OTHERS**
  - MINETECH INDUSTRIES SDN BHD 100%
  - MINETECH COMMERCE SDN BHD (FKA DIMAN KS CHIN SDN BHD) 95%
  - KONSEP KHAS SDN BHD 55%
  - MINETECH INTERNATIONAL (L) LTD 100%

CORPORATE INFORMATION

BOARD OF DIRECTORS

1. **Dato' (Dr). Ts. Awang Daud Bin Awang Putera**
   Executive Chairman
2. **Choy Sen @ Chin Kim Sang**
   Executive Director of Advisory
3. **Chin Leong Choy**
   Executive Director of Business Development and Operations
4. **Awgku Mohd Reza Farzak Bin Awg Daud**
   Executive Director of Corporate Services
5. **Azlan Shah Bin Zainal Arif**
   Executive Director of Business Development, Operations and Finance
6. **Ahmad Rahizal Bin Dato' Ahmad Rasidi**
   Non-Independent Non-Executive Director
7. **Loke Kim Meng**
   Non-Independent Non-Executive Director
8. **Ahmad Ruslan Zahari Bin Zakaria**
   Independent Non-Executive Director
9. **Datin Feridah Binti Bujang Ismail**
   Independent Non-Executive Director
10. **Siti Aishah Binti Othman**
   Independent Non-Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

1. Ahmad Ruslan Zahari Bin Zakaria (Chairman)
2. Datin Feridah Binti Bujang Ismail
3. Siti Aishah Binti Othman

NOMINATION AND REMUNERATION COMMITTEE

1. Siti Aishah Binti Othman (Chairperson)
2. Datin Feridah Binti Bujang Ismail
3. Ahmad Ruslan Zahari Bin Zakaria

INVESTMENT COMMITTEE

1. Dato' (Dr). Ts. Awang Daud Bin Awang Putera (Chairman)
2. Chin Leong Choy
3. Awgku Mohd Reza Farzak Bin Awg Daud
4. Azlan Shah Bin Zainal Arif
5. Ahmad Rahizal Bin Dato' Ahmad Rasidi

BUSINESS AND OPERATION ADDRESS

D-G-5, Block D, Parklane Commercial Hub
No. 21, Jalan SS7/26 Kelana Jaya
47301 Petaling Jaya, Selangor Darul Ehsan
Tel No: 603-7886 7848
Fax No: 603-7886 3370
Email: corporate@mrb.com.my
Website: www.minetech.com.my

COMPANY SECRETARIES

Tai Yit Chan (MAICSA 7009143)
(SSM Practicing Certificate No. 202008001023)

Tan Ai Ning (MAICSA 7015852)
(SSM Practicing Certificate No. 202008000067)

REGISTERED OFFICE

Boardroom Corporate Services Sdn. Bhd.
[Registration No. 196001000110 (3775-X)]
12th Floor, Menara Symphony
No. 5, Jalan Professor Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Tel No : 603 7890 4800
Fax No: 603 7890 4650

SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.
[Registration Number : 199601006647 (378993-D)]
11th Floor, Menara Symphony
No. 5, Jalan Professor Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Tel No : 603 7890 4700
Fax No: 603 7890 4670

AUDITORS

Al Jafree Salihin Kuzaimi PLT
201506002872 (LLP0006652-LCA) & AF 1522
Chartered Accountants
No. 555, Jalan Samudra Utara 1
Taman Samudra
68100 Batu Caves
Selangor Darul Ehsan
Tel No : 03 6185 9970
Fax No : 03 6184 2524
Careline : 1300 88 5678

PRINCIPAL BANKERS

Malayan Banking Berhad
Registration Number : 196001000142 (3813-K)

STOCK EXCHANGE LIST

Main Market of Bursa Malaysia Securities Berhad
Stock Short Name : MINETEC
Stock Code : 7219

DIRECTORS' PROFILES

DATO' (DR). TS. AWANG DAUD BIN AWANG PUTERA

Position:
Executive Chairman

Gender:
Male

Nationality:
Malaysian

Age:
61

Dato' (Dr). Ts. Awang Daud Bin Awang Putera was appointed as Minetech's Executive Chairman on 31 March 2020. He is also the Chairman for both Investment Committee and Executive Committee of Minetech.

Dato' (Dr). Ts. Awang Daud has over 40 years of experience in the field of mechanical engineering. He began his career in 1980 with Ballast Nedam International (Malaysia) Sdn Bhd before moving on to Daelim Ltd where he was heavily involved in the construction of Malaysia's first Liquefied Natural Gas Plant in Bintulu. In 1983, he joined Malaysia LNG Sdn Bhd and was involved in the task force team during the establishment of their product's first shipment in the global market.

Dato' (Dr). Ts. Awang Daud was also the co-founder of Serba Dinamik Sdn Bhd and was appointed as its Managing Director in 1993. In 2016, he was re-appointed as Deputy Managing Director of Serba Dinamik Holdings Berhad and is currently the Non-Independent Non-Executive Director and sits on the Investment Committee.

Dato' (Dr). Ts. Awang Daud was trained as a mechanical fitter and general mechanic and moved up his career as millwright majoring in turbomachinery. He then acquired his Bachelor of Science in Mechanical Engineering from the University of the East in the Philippines in 1994 and earned his Masters in Mechanical Engineering in 2007 from Universitas Pancasila, Indonesia.

In 2020, Dato' (Dr). Ts. Awang Daud was conferred the title of Honorary Doctorate by Geomatika University College Kuala Lumpur. He was also appointed as the Honorary Consul for the Republic of Kazakhstan for Sarawak in the same year. In addition to these, Dato' (Dr). Ts. Awang Daud was also appointed as a chartered fellow of the Chartered Institute of Logistics and Transport Malaysia ("CILTM") and is at present the honorary advisor for both CILTM's International Business Forum and its Sarawak Chapter.

Other than Minetech, Dato' (Dr). Ts. Awang Daud is also the Non-Independent Non-Executive Chairman for Aimflex Berhad and a Non-Independent Non-Executive Director of Serba Dinamik Holdings Berhad, both listed on Bursa Malaysia.

In addition, he also sits on the board of several private limited companies and has currently no conflict of interest with the Minetech Group.

Directors' Profile (Cont'd)

CHOY SEN @ CHIN KIM SANG

Position:
Executive Director of Advisory

Gender:
Male

Nationality:
Malaysian

Age:
69

Choy Sen @ Chin Kim Sang is the founder of Minetech. He has been re-designated from Executive Chairman to Executive Director on 31 March 2020. He is also a member of the Executive Committee of Minetech.

He received his Masters in Business Administration from the Southern Pacific University, United States in 2004. He is also an Associate of the Institute of Quarrying Malaysia and a registered Shot-Firer with Jabatan Mineral dan Geosains Malaysia and Polis Diraja Malaysia. In addition, he is a Deputy President of Green Purchasing Network Malaysia.

He has over 40 years of experience in the quarrying and civil engineering industries. In 1984, he founded K.S. Chin Construction Sdn Bhd (now known as K.S. Chin Minerals Sdn Bhd) and was involved in quarrying and civil engineering works (i.e. drilling and blasting works). In 1989, he incorporated Minetech Construction Sdn Bhd to provide specialised drilling and blasting, loading and haulage services, focusing on rock excavation and infrastructure development projects. He had also established several other subsidiaries focusing on industrial machinery, sales and marketing of aggregates and asphalt premix.

Other than Minetech, he is not a director of any other public company and listed issuer. He sits on the boards of several private limited companies.

He has no conflict of interest with the Minetech Group.

Directors' Profile (Cont'd)

AWGKU MOHD REZA FARZAK BIN AWG DAUD

Position:
Executive Director of Corporate Services

Gender:
Male

Nationality:
Malaysian

Age:
38

Awgku Mohd Reza Farzak was appointed as Non-Independent Non-Executive Director of the Company on 3 April 2020. He was re-designated as Executive Director on 12 June 2020. He is also a member of the Investment Committee and Executive Committee of Minetech.

He received his Masters in Industrial Engineering Technology from University Malaysia, Pahang and was conferred with a Doctor of Business Administration from The University of Information Technology and Management, Rzeszow, Poland. He is also a Chartered Member of the Chartered Institute of Logistics & Transport ("CILT") International, United Kingdom.

Awgku Mohd Reza Farzak began his corporate career in the oil and gas industry with Serba Dinamik Sdn Bhd in 2004 as Assistant Project Manager. During his tenure with the Serba Dinamik Group, he played an instrumental role in the successful completion of more than 40 maintenance, repair and overhaul projects which contributed significantly to Serba Dinamik's growth. Subsequently, in 2014, he started his own oil and gas MRO company, Trillion Axis Sdn Bhd to capture a slice of the MRO market in East Malaysia. In 2017, through the ADAP 40rty Group, he ventured into businesses ranging from real estate, retailing, hospitality, tourism and travel, food and beverage, agriculture, deep sea fishery, ship management to advanced cooling systems and non-explosive rock breaking technology.

He then co-founded ADAP Capital Sdn Bhd in 2019, an investment and private equity company. Since its incorporation, ADAP Capital Sdn Bhd has acquired significant stakes in several listed companies listed on Bursa Malaysia Securities Berhad. In 2020, he founded ADAP Kenyalang Holdings Sdn Bhd, a Bintulu based investment holding and venture capital enhance the hornbill state presence in the essential services sectors in Malaysia. Since the incorporation of ADAP Kenyalang Holdings Sdn Bhd, the company has actively embarked into negotiation to purchase several tier-1 companies which are involved in oil and gas, engineering and telecommunication industry.

With over 15 years of experience in the corporate world, Awgku Mohd Reza Farzak currently serves as Executive Director of 10 companies, Managing Director of 3 companies, Executive Chairman of a Tier-1 oil and gas company and member of the Board of several companies.

Other than Minetech, he is not a director of any other public company and listed issuer and has no conflict of interest with the Minetech Group.

Directors' Profile (Cont'd)

CHIN LEONG CHOY

Position:
Executive Director of Business Development and Operations

Gender:
Male

Nationality:
Malaysian

Age:
39

Chin Leong Choy, was appointed as Executive Director on 21 January 2010 and was re-designated as Group Executive Director on 6 March 2013. He was then re-designated as Executive Director on 12 June 2020. He is also a member of the Investment Committee and Executive Committee.

He received his Masters in Business Administration (General Management) from Stichting Euregio University College, Belgium and Masters in Business Administration (Property Management) from Tbilisi Teaching University Gorgasali, Georgia.

Chin Leong Choy has over 19 years of experience in sales and marketing, quarrying and civil engineering. He was also involved in multiple strategic business development ventures. He joined Minetech Construction Sdn Bhd in 2003 where he was responsible for control blasting and infrastructure works. He was then transferred to Minetech Quarries Sdn Bhd in 2005 and subsequently to K.S. Chin Minerals Sdn Bhd in the following year, responsible for planning and management of the overall group's quarry business. During his tenure as Group Executive Director, he contributed to the growth and success of all Minetech's business units, including premix and manufacturing divisions and had also played a key role in steering Minetech to diversify its business into new profitable sectors.

Other than Minetech, he is not a director of any other public company and listed issuer. He sits on the boards of several private limited companies.

He has no conflict of interest with the Minetech Group.

Directors' Profile (Cont'd)

AZLAN SHAH BIN ZAINAL ARIF

Position:
Executive Director of Business Development, Operations and Finance

Gender:
Male

Nationality:
Malaysian

Age:
40

Azlan Shah, was appointed as Independent Non-Executive Director of Minetech on 3 April 2020. He was re-designated as a Non-Independent Non-Executive Director on 21 April 2020 and subsequently re-designated as Executive Director on 12 June 2020. He is also a member of Investment Committee and Executive Committee.

Azlan Shah obtained his Bachelor's Degree in Mechanical Engineering (Honours) from University of Malaya in 2006 and has over 15 years of experience in maintenance, fabrication and construction work in the oil and gas industry. In addition, Azlan Shah is also a certified Mechanical Engineer of Manufacturing and Industrial Technology, an accreditation issued by MBOT or the Malaysian Board of Technologists.

Azlan Shah began his career in 2006 with Tanjong Offshore Group, where he sharpened his skills in the oil and gas engineering sector, particularly in maintenance, repair and operations for approximately 7 years. During his tenure with Tanjong Offshore Group, he aided the company in serving several large Fortune 500 and Fortune 100 oil and gas companies such as Petronas and Shell.

In 2013, Azlan Shah decided that it was high time to embark on a new venture and established Empada Sdn Bhd ("Empada") to provide maintenance, fabrication and construction services for the Nation's oil and gas industry.

His decision proves fruitful and Empada has since secured more than RM200 million worth of contracts and currently employs over 100 employees. Besides being the founder of Empada, Azlan Shah is also the company's shareholder to date.

In 2018, Azlan Shah abetted Highpoint Engineering Sdn Bhd to set-up the latter's business strategies framework, as well as provided business advisory services for G Two Tech Engineering Sdn Bhd, both of which are currently involved in the maintenance, fabrication, construction, as well as electrical and instruments respectively.

A year later, Azlan Shah was invited to join ADAP Capital Sdn Bhd, an investment holding and private equity company as its Managing Director for Special Projects and Business Development where he is mainly involved in corporate development exercises.

Other than Minetech, Azlan Shah is not a director of any other public listed companies nor any listed issuer. He however sits on the board of several private limited companies, and has no conflict of interest with the Minetech Group.

Directors' Profile (Cont'd)

AHMAD RAHIZAL BIN DATO' AHMAD RASIDI

Position:
Non-Independent Non-Executive Director

Gender:
Male

Nationality:
Malaysian

Age:
39

Ahmad Rahizal was appointed as Independent Non-Executive Director on 28 October 2016. He was re-designated as Non-Independent Non-Executive Director on 24 February 2021 and subsequently re-designated to Executive Director on 7 May 2021. On 1 April 2022, he was re-designated as Non-Independent Non-Executive Director. He is also a member of the Investment Committee of the Company.

Ahmad Rahizal has over 14 years of experience in corporate and business ventures. He began his career as a Director in Noble Signet Sdn Bhd in 2008, an IT developer catering for the banking industry. From 2009 to 2012, he was appointed as Chairman of UQ Holidays (M) Sdn Bhd which charters flights for pilgrims to perform the Umrah. He joined Auto MasterCop Sdn Bhd [now known as Uniqa (M) Sdn Bhd] as Chief Executive Officer from 2012-2020 and Director of Uniqa (M) Sdn Bhd until 2021. Uniqa (M) Sdn Bhd provides electronic payment systems as an alternative delivery channel for banks and other financial institutions.

He is also involved in coconut plantation, sand quarry, waste-management and edible oil business. He serves as an Independent Non-Executive Director of Axteria Group Berhad (formerly known as Acoustech Berhad) and sits on the board of Aliran Utara Sdn Bhd (subsidiary of Aliran Ihsan Resources Berhad which is part of MMC Corporation Berhad Group).

He sits on the board of several private limited companies, and has no conflict of interest with the Minetech Group.

Directors' Profile (Cont'd)

LOKE KIM MENG

Position:
Non-Independent Non-Executive Director

Gender:
Male

Nationality:
Malaysian

Age:
41

Loke Kim Meng was appointed as Non-Independent Non-Executive Director of Minetech on 28 January 2022.

He graduated with a Bachelor in Engineering (Mechanical Engineering) from University of Bradford, United Kingdom.

Loke Kim Meng has more than 15 years of banking and investment management experience in Malaysia and Singapore, specifically managing and investing in multiple asset classes.

He began his career in Mizuho Corporate Bank Singapore, in the Global Structured Finance Division, and subsequently joined DBS Bank Institutional Banking Group as the Relationship Manager. He then joined a private asset management firm based in Singapore, where he was instrumental in deal generation and execution of investment strategies for the firm's portfolio.

Loke Kim Meng is currently the Chief Executive Officer of Widuri Capital Management Sdn. Bhd., a Private Equity Management Corporation (PEMC) registered with Securities Commission Malaysia, where he leads all aspect of deal origination, execution, fund raising and portfolio monitoring.

Prior to his current role, he was with RHB Investment Bank Berhad and Malayan Banking Berhad private wealth management division, where he managed and advised high net worth (HNW) client's portfolio. In 2017, he acted as the Chief Operating Officer of a Singapore public listed company, where he was responsible for the firm's strategic operations in Malaysia.

Other than Minetech, he is not a director of any other public company and listed issuer and has no conflict of interest with the Minetech Group.

Directors' Profile (Cont'd)

AHMAD RUSLAN ZAHARI BIN ZAKARIA

Position:
Independent Non-Executive Director

Gender:
Male

Nationality:
Malaysian

Age:
61

Ahmad Ruslan was appointed as Independent Non-Executive Director of the Company on 21 February 2014. He is also the Chairman of Audit and Risk Management Committee and a member of Nomination and Remuneration Committee of the Company.

Ahmad Ruslan graduated from the University of Newcastle-upon-Tyne, United Kingdom in 1984 with a Bachelor's of Arts in Economic Studies (Accounting & Financial Analysis). After graduating, he was trained as a Chartered Accountant at a firm in London.

In 1986, he joined Merchants Business Growth Consulting, a pan-European marketing consultancy in London as Group Financial Controller. He left Europe in 1993 and joined what is now known as CIMB Investment Bank Berhad in the Corporate Finance Department. In 1997, he assisted in the formation of Commerce Asset Ventures, the venture capital arm of CIMB Group. In 2000, he joined Clear Channel Communications, Inc., a leading global media organisation listed on the New York Stock Exchange as ASEAN Regional Development Director/Managing Director of Malaysian operations. In 2005, he was appointed as the Chief Executive Officer for Terengganu Incorporated, a strategic investment holding company for the state Terengganu where he led and restructured all corporate companies owned by The State. From 2008 to 2018, he was also the Chief Executive Officer of Armstrong Marine & Offshore Sdn. Bhd. From 2010 to 2018, he was the Chief Executive Officer of Sungai Temau Mining (M) Sdn. Bhd., an iron ore mining company. He is presently the founder and principal of Connoisseur Consult Sdn. Bhd.

Other than Minetech, Ahmad Ruslan sits on the Board of CSH Alliance Berhad (formerly known as KTG Berhad) as an Independent Non-Executive Chairman.

He has no conflict of interest with the Minetech Group.

Directors' Profile (Cont'd)

DATIN FERIDAH BINTI BUJANG ISMAIL

Position:
Independent Non-Executive Director

Gender:
Female

Nationality:
Malaysian

Age:
47

Datin Feridah was appointed as an Independent Non-Executive Director, a member of the Audit and Risk Management Committee and Nomination and Remuneration Committee of the Company on 12 June 2020.

Datin Feridah graduated with a Bachelor's Degree in Accountancy (Hons) from Universiti Technology MARA and she has over 20 years of experience in accounting and corporate finance. She began her career as Assistant Accountant at a small firm prior to joining Ernst & Young. Subsequently, she joined Malaysia Airlines Systems Berhad ("MAS"), where she was posted overseas as the Regional Accounting Manager for Australia and New Zealand. Following more than 10 years with MAS, she joined Sapura Aero Sdn. Bhd. in 2016 as General Manager of Finance and Procurement. She currently runs her own accounting firm, Feridah Bujang Ismail & Co.

Datin Feridah is also a member of the Certified Public Accountant Australia. She was trained as a Chartered Accountant at various practicing firms in Malaysia and is also a member of the Malaysian Institute of Accountants.

Other than Minetech, she is not a director of any other public company and listed issuer. She sits on the boards of several private limited companies.

She has no conflict of interest with the Minetech Group.

Directors' Profile (Cont'd)

SITI AISHAH BINTI OTHMAN

Position:
Independent Non-Executive Director

Gender:
Female

Nationality:
Malaysian

Age:
62

Siti Aishah was appointed as Independent Non-Executive Director on 12 June 2020. She is also the Chairperson of the Nomination and Remuneration Committee and member of the Audit and Risk Management Committee of the Company.

She graduated from University of Malaya with a Degree in LLB (Hons) in Law.

Siti Aishah, started her career in Legal Advisory Division of Attorney General's Chambers of Malaysia. Subsequently, she became the Senior Manager of the legal division in Bintulu Development Authority ("BDA"), a government agency in Sarawak. She has accumulated more than 20 years of experience in organising various activities and events while serving as committee member and advisor for events held by BDA. She was also involved in the drafting and assessing of examination papers titled "Penilaian Tahap Kecekapan" for the Sarawak State Legislation. For her services, loyalty, efforts and contributions towards BDA, she was awarded with the Pingat Perkhidmatan Setia 2010 award by the Chief Minister of Sarawak, the highest state award given to the State's Civil Servant. In addition, she was also awarded with Pingat Perkhidmatan Bakti (PBB) Negeri Sarawak in 2011 by Tuan Yang Terutama Negeri Sarawak.

Other than Minetech, she is not a director of any other public company and listed issuer. She sits on the boards of several private limited companies.

She has no conflict of interest with the Minetech Group.

SENIOR/KEY OFFICER'S PROFILE

MOHD DZULFADHLY BIN ROZELAN

Position:
Chief Financial Officer

Gender:
Male

Nationality:
Malaysian

Age:
35

Dzulfadhly joined Minetech on 8 February 2021 as Chief Financial Officer. He brings with him over 13 years of working experience in several sectors with extensive knowledge of financial audit, strategy development and value creation.

He holds a Bachelor of Commerce Degree in Accounting from Auckland University, New Zealand. He is a member of CA ANZ (Chartered Accountants Australia & New Zealand) and MICPA (The Malaysian Institute of Certified Public Accountants).

He started his career in 2009 as an external auditor with PricewaterhouseCoopers in Kuala Lumpur. He was involved in the financial audit of multiple public listed entities spanning various industries such as manufacturing, plantation, automotive and aviation. He then moved on to join PricewaterhouseCoopers Advisory division where his main focus was on advisory works relating to impact assessment, financial performance review and strategy development.

In 2015, he joined Ekuiti Nasional Berhad ("EKUINAS"), a Government-linked private equity firm with assets of approximately RM4 billion under its management. During his tenure in EKUINAS, he executed various value creation initiatives, focusing on operational transformation, business development and strategy execution across a number of EKUINAS portfolio companies in multiple industries.

Prior to joining Minetech, he was the Head of the Corporate Strategy division of Education Malaysia Global Services, an entity under the Ministry of Higher Education tasked with the promotion of Malaysia to international students. He was responsible for the overall strategic development plans, driving the strategic planning processes as well as monitoring the implementation of the strategic objectives.

He is not a director of any other public company and listed issuer and has no conflict of interest with the Minetech Group.

NOTES :

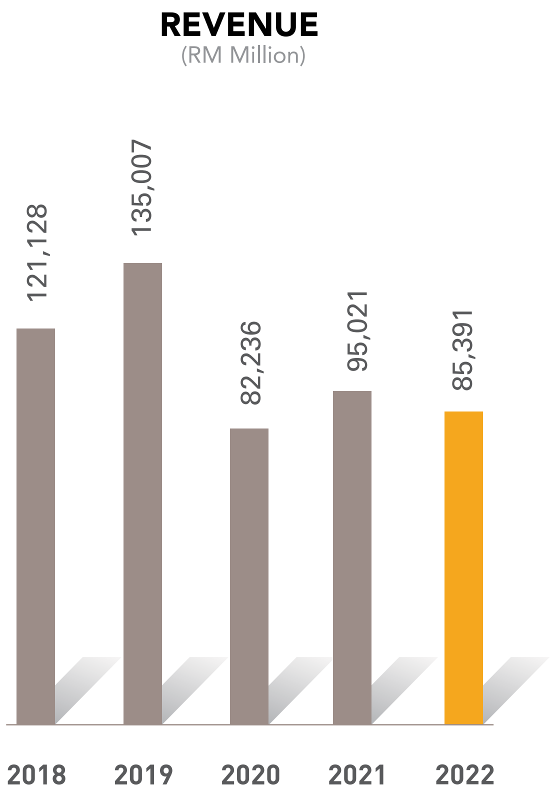
1. Save as otherwise disclosed, none of the Directors and senior/key officer of Minetech have any convictions for offences within the past 5 years other than traffic offences, if any.

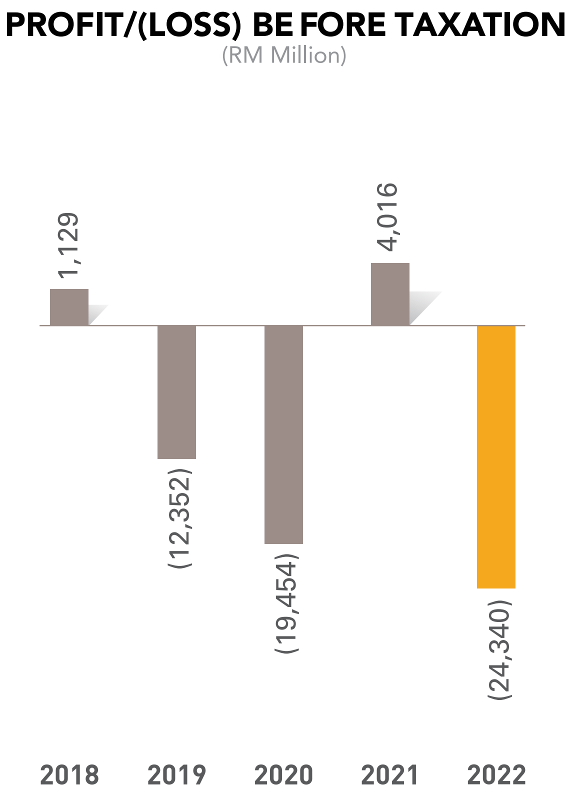
2. None of the Directors and senior/key officer of Minetech have any family relationships with any other directors and/or major shareholders except the following :
   a. Encik Awgku Mohd Reza Farzak Bin Awg Daud is the son of Dato '(Dr). Ts. Awang Daud Bin Awang Putera, the Executive Chairman and major shareholder of Minetech; and
   b. Mr Chin Leong Choy is the son of Mr Choy Sen @ Chin Kim Sang, the Executive Director of Advisory and major shareholder of Minetech.

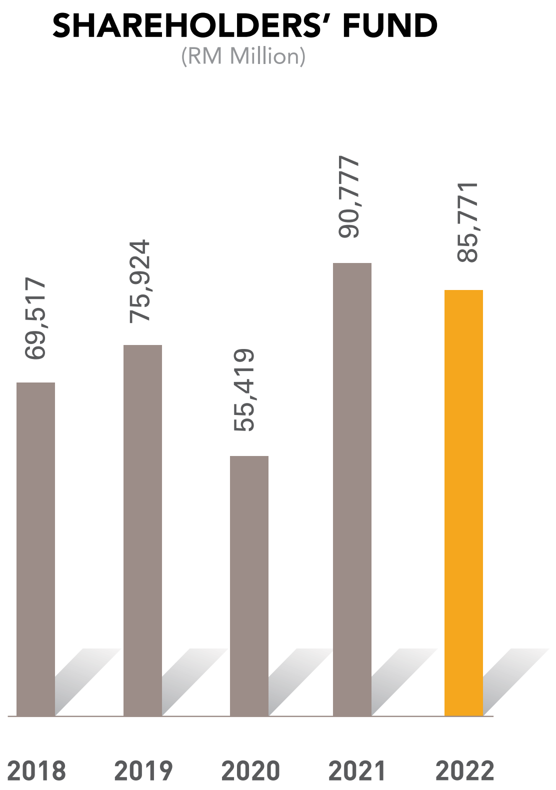
3. The details of Directors' attendance of Board Meetings during the financial year ended 31 March 2022 are disclosed in page 56 of this Annual Report.

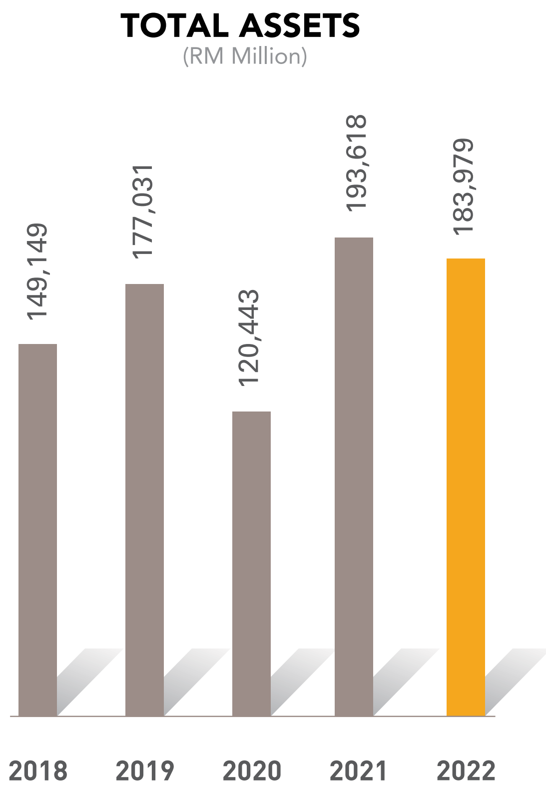
FIVE-YEAR FINANCIAL HIGHLIGHTS

		2022 RM'000	2021 RM'000	2020 RM'000	2019 RM'000	2018 RM'000
FINANCIAL PERFORMANCE						
Revenue		**85,391**	95,021	82,236	135,007	121,128
(Loss)/Profit before taxation		**(24,340)**	4,016	(19,454)	(12,352)	1,129
(Loss)/Profit after taxation		**(25,192)**	715	(20,994)	(14,295)	(1,402)
(Loss)/Profit attributable to shareholders		**(22,158)**	924	(20,434)	(15,073)	(2,925)
(Loss)/earnings per share	sen	**(1.90)**	0.09	(2.22)	(1.71)	(0.40)
Return on equity	%	**-26**	1	-35	-15	1
Return on assets	%	**-12**	0	-17	-7	1
Return on revenue	%	**-26**	1	-25	-9	1
GEARING						
Borrowings		**48,420**	37,132	22,432	35,003	30,420
Gearing	times	**0.46**	0.24	0.21	0.40	0.38
OTHER FINANCIAL STATISTICS						
Net assets per share		**0.07**	0.08	0.05	0.09	0.10
Share price – high	RM	**0.235**	0.355	0.130	0.120	0.170
Share price – low	RM	**0.065**	0.125	0.050	0.045	0.100
Paid up share capital		**94,050**	166,813	132,527	132,527	110,357
Shareholders' fund		**85,771**	90,777	55,419	75,924	69,517
Total Equity		**83,103**	92,341	57,570	84,808	75,744
Total Assets		**183,979**	193,618	120,443	177,031	149,149


REVENUE
(RM Million)
121,128
135,007
82,236
95,021
85,391
2018
2019
2020
2021
2022


PROFIT/(LOSS) BE FORE TAXATION
(RM Million)
1,129
(12,352)
(19,454)
4,016
(24,340)
2018
2019
2020
2021
2022


SHAREHOLDERS' FUND
(RM Million)
69,517
75,924
55,419
90,777
85,771
2018
2019
2020
2021
2022


TOTAL ASSETS
(RM Million)
149,149
177,031
120,443
193,618
183,979
2018
2019
2020
2021
2022

CHAIRMAN'S STATEMENT

DEAR VALUED SHAREHOLDERS,

The Covid-19 pandemic has brought upon us unprecedented challenges. Shortly before my appointment on 31 March 2020, the nation went into lockdown to curtail the spread of Covid-19, sparking a profound economic contraction; likewise, FY2022 has been marked by intermittent lockdowns, which dampened demand for building materials and forced us to put many major projects on hold until restrictions were lifted.

Surmounting these challenges has not been easy; indeed, I am immensely grateful to the rest of the Board and the senior management team for supporting me in our collective mission to insulate the Group from the worst effects of poor economic conditions. Among others, we took decisive action to reduce procurement costs, diversify our income sources, eliminate accumulated losses from previous years, and upgrade our production capacities. Following these reforms, the Group has now emerged from the pandemic with improved fundamentals, increasing our confidence that we will be able to effectively capitalise on the numerous business opportunities that have arisen in tandem with the decline of Covid-19.

Resilience Amidst Adversity

For most of FY2022, the Group's ongoing projects, including the construction of the Gemas – Johor electrified double track, the provision of mining support services to the Selinsing Gold Mine, and upgrades to the Cheras – Kajang Expressway, were delayed by multiple lockdowns. Relief only came in Q4 2021 when most states transitioned to Phase 4 of the National Recovery Plan, which allowed us to resume work while complying with strict Standard Operating Procedures. After redoubling our efforts to make up for lost time, I am pleased to announce that all ongoing projects are now proceeding smoothly in accordance with a revised schedule drawn up in consultation with our clients.

DATO' (DR). TS. AWANG DAUD BIN AWANG PUTERA
Executive Chairman

The slowdown in the global construction industry also negatively impacted the Group's financial performance by curbing demand for our quarry and bituminous products. Our quarrying business, which primarily supplies customers within an 100km radius of the quarrying site to control logistics costs and remain economically viable, was particularly badly affected when these customers cut back spending during lockdown. This, combined with an oversupply of aggregates in the local market that pushed prices down, has led us to conclude that it is no longer worthwhile for Minetech Resources Berhad (**"Minetech"**) to remain in the quarrying sector. In yet another example of prudent decision-making, we now intend to divest our stake and reinvest the proceeds in other segments with stronger growth prospects.

The bituminous products segment, on the other hand, has fared better, with demand rebounding from Q3 2021 onwards as construction projects recommenced and firms increased orders in anticipation of upcoming mega infrastructure projects like the recently-approved MRT 3 Circle Line. Despite these encouraging developments, we cannot afford to remain complacent. We are actively sourcing for alternative reputable and reliable bitumen suppliers which can offer cheaper prices compared to our current suppliers, to minimise material costs and protect our bottom line. We believe that this pivot, along with the other steps we took to safeguard the Group's interests throughout the pandemic, will only bolster our efficiency, productivity, and adaptability going forward.

A Brighter Outlook Post-Pandemic

Apart from an uptick in demand for bituminous products, we have observed many more signs that the Group is set to enjoy a much more favourable growth outlook in the upcoming year. Most of these have been confirmed by seasoned market researchers, such as an expected construction boom that will cause the industry's average annual growth rate over the next decade (estimated at 3.6%) to exceed those of the manufacturing and services sectors. Although this upturn is still in its early stages, the Group is already reaping concrete benefits: for one, one of our most loyal customers in the bituminous products segment recently doubled their orders for coating materials. In addition, I am delighted to report that we have secured 3 new construction contracts worth RM25.2 million in total from subsidiaries of GuocoLand Malaysia Berhad and the Keringat Group of Companies.

We also spy opportunities in the energy sector brought about by the Russian invasion of Ukraine, which has sparked widespread embargoes on Russian fossil fuels and spurred European Union members to accelerate the transition to renewables. In view of this development, as well as the fact that renewables are set to account for almost 95% of the increase in global power generation capacity from 2020 to 2026, our decision to invest in a 9.99MW AC floating solar power plant in 2018 now appears especially prescient. The solar plant is projected to begin operating in Q4 2022, just in time for us to submit a tender to the federal government for its Large-Scale Solar 5 (LSS5) project later in 2022.

Preparing for a Fresh Start

We are entering FY2023 with an attitude of cautious optimism. Reflecting this mindset, our master plan for this financial year will serve to accomplish 2 main objectives – namely, freeing up resources to be either redirected towards growth or kept in reserve to improve our ability to weather future downturns. These efforts are being complemented with a series of initiatives to enhance the core competencies that made the Group's ascent possible in the first place. Among others, we are investing in increasing our production capacity for bituminous products; diversifying our range of bituminous products to include emulsions for cold mix asphalt to meet market demand; and expanding our civil engineering capabilities beyond drilling, blasting, and roadworks to encompass building works as well. In particular, upgrading our construction skills is a top priority as it will enable us to fulfil our ambition of being appointed a lead contractor for large-scale public and private sector projects.

Acknowledgements

On behalf of the Board, I would like to extend a warm welcome to Mr Loke Kim Meng as a Non-Independent Non-Executive Director to the Board. I look forward to his contribution to the Board with his experience, skill, knowledge and expertise.

Before I wrap up, I would like to sincerely thank my fellow Board members, Minetech's senior management team and all employees for their unwavering support throughout crisis-hit FY2022. Without their contributions, we would not have been able to streamline operations, win new projects, or venture into the lucrative food and beverages trading sector through a strategic partnership, all of which are indicators of progress that will prove crucial to the Group's continued growth in FY2023. Despite downside risks such as the Russia-Ukraine war and the possible emergence of a new, more virulent Covid-19 variant, we remain reasonably confident that our preparations have put the Group in a good position to achieve its targets this financial year.

I would also like to thank our suppliers, bankers, customers and the government authorities for your continued support which are essential to our business growth.

Of course, we have not forgotten our shareholders, who amply demonstrated their faith in the Group when they responded enthusiastically to our rights issue held in October 2021. It was a pleasant surprise and a truly humbling experience for us when we found out that the exercise was oversubscribed by 45.53% in a resounding show of support – indeed, there could not have been better proof of the strong bond between the Group and our most important stakeholders. We are firmly resolved to express our appreciation by concentrating all our efforts on catalysing growth in sales and profits, which in turn will enable us to deliver healthy returns on their investments.

I shall now conclude with a final, heartfelt thank you. May FY2023 bring health, happiness, and prosperity to each and every one of us.

MANAGEMENT DISCUSSION AND ANALYSIS

2021 ECONOMIC REVIEW

The Globe: Uneven Recovery Between AEs and EMEs

The global economy and global trade rebounded in 2021 from the pandemic-induced recession in 2020 with an uneven recovery, of 5.8% and 9.3%, respectively. However, there was disparity in the recovery, especially between Advanced Economies (**"AEs"**) and Emerging Market Economies (**"EMEs"**). While new COVID-19 variants affected most economies, more advanced vaccination progress in AEs allowed for a quicker lifting of containment measures and thus, a faster rebound in economic activity.

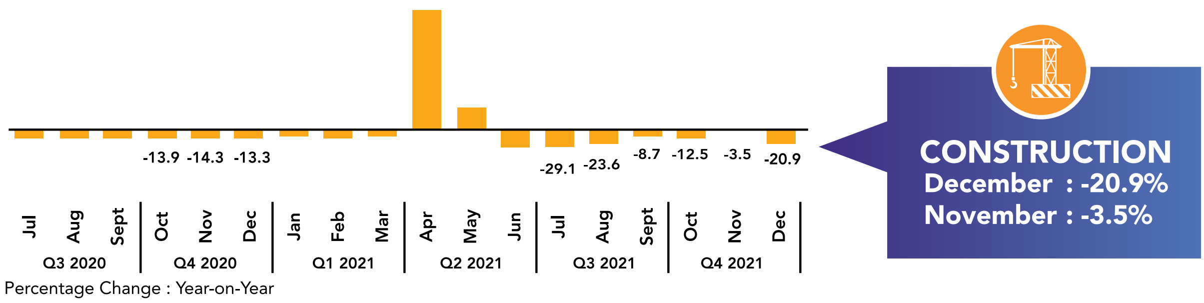
Malaysia: Uncertain Recovery, Aided by Accommodative Monetary Policy

Recovery in Asian EMEs, including Malaysia, however, remained soft. While the ongoing vaccination drives have helped control the calamities, the economy did not recover as strongly. The emergence of transmissible variants, especially Omicron, plagued Malaysia's road to recovery with more uncertainties. Uncertain recovery momentum resulted in continued monetary accommodativeness in the region.

In 2021, the accommodative monetary policy provided continuous broad-based support for Malaysia's economic recovery: The Overnight Policy Rate was maintained at the historical low of 1.75% throughout the year. The thrust of monetary policy in 2021 was to ensure sustainable economic growth in an environment of manageable price pressures. Additionally, the extension of the Statutory Reserve Requirement flexibility from 31 May 2021 to 31 December 2022 provided sustained liquidity support for financial intermediation throughout the year. Financial measures, such as credit guarantees and the Bank's various financing facilities, also provided targeted support for affected segments facing a more disparate recovery. Overall, financing remained supportive of the economic recovery, with a continuous flow of bank credit to businesses.

Construction Sector Was Impacted

In Malaysia, strict COVID-19 movement restrictions were reinstated between June and August 2021, resulting in the closure of various economic sectors, including construction. The construction sector continued to be impacted by supply chain-related issues that resulted in delays in obtaining building materials, rising prices of materials that affected costs, and a shortage of workers due to border restrictions.



Source: National Accounts, Gross Domestic Product, Department of Statistics Malaysia

Management Discussion and Analysis (Cont'd)

2021 ECONOMIC REVIEW (CONT'D)

Construction Sector Declined due to Movement Restrictions

The construction sector declined by -5.2% (2020: -19.4%) as the industry faced limitations on operating capacity and the stop-start nature of construction works due to the movement restrictions. Special trade was the only subsector with positive growth, supported by end-works from selected commercial and civil engineering projects, as well as the implementation of small-scale projects. Meanwhile, construction activities in the residential and non-residential subsectors remained subdued following extended periods of lockdown and reduced operating capacity. Nevertheless, the easing of the containment measures since August, and the reopening of the economy supported the gradual improvement across all subsectors towards the end of the year.

Nonetheless, the Group's Civil Engineering Division has fared rather well during this challenging period, of which details are in the ensuing section.

Source: Economic & Monetary Review 2021

STRATEGIC REVIEW

A Year of Consolidation and Resilience

Amid the difficult economic landscape and public health challenges outlined above, Minetech Resources Berhad (**"Minetech"** or **"the Group"**) has embarked on a journey of consolidation and resilience:

- We vaccinated our people and set up stringent social distancing Standard Operating Procedures (**"SOPs"**), ensuring their health, safety and well-being;
- We strengthened our internal capabilities and streamlined operations across all segments to reduce cost while maintaining efficiency;
- We consolidated financial resources through Rights Issue and Private Placement;
- We have taken steps to improve our credibility to our customers, suppliers and investors through the Share Capital Reduction exercise; and
- We divested non-performing assets and cautiously pursued diversification that can add long-term value to the Group and its shareholders.

As the economy recovers from the pandemic, the Group maintains a cautious and prudent approach. This unique year has tested Minetech's resilience and allowed Minetech to strengthen internally to thrive again.

BUSINESS SEGMENT REVIEW

The Group is involved in various business segments, including civil engineering, bituminous products, renewable energy and financial technology. During the year under review, every division was adversely impacted by the various stages of the Movement Control Order and the regulatory requirements and SOP to manage the COVID-19 pandemic. In addition, temporary shutdowns of specific economic sectors, mandatory COVID-19 tests for workers returning to construction sites and compulsory Work-from-Home requirements affected the Group's supply chain and production. Such unique circumstances pushed the Group to continuously adapt, re-evaluate and consolidate its business resources and efforts to create value for the customers, shareholders and society.

Like the previous year, the Group performed COVID-19 quarterly impact assessment encompassing areas such as operations, cash flows and liquidity, financial positions and performances and business prospects. The Group continues to manage these aspects with proactive oversight, direction and support from the Board.

Management Discussion and Analysis (Cont'd)

BUSINESS SEGMENT REVIEW (CONT'D)

For the financial year under review, the Group recorded a revenue of RM85.4 million, 10.1% lower than the preceding year's revenue of RM95.0 million. The lower Group revenue in Financial Year Ended 31 March 2022 (**"FYE 2022"**) was mainly due to lower contribution from the Quarry and Services division due to the Covid-19 pandemic. Nevertheless, the Group is pleased to record a quarter-on-quarter revenue improvement Cumulative Average Growth Rate of ~10% throughout FYE 2022.

The Group recorded a Loss After Tax for FYE 2022 of RM25.2 million compared to RM0.9 million Profit After Tax in the prior year. This is mainly due to the lesser revenue recorded as well as impairments exercise undertaken during the year. The Group recorded a Loss per Share of 1.90 sen, versus Financial Year Ended 31 March 2021 (**"FYE 2021"**) of Earnings per Share of 0.09 sen.

The ensuing section provides a review of the business activities and further details on the contributions from each division for the Group as well as the respective growth strategies.

Civil Engineering

Minetech Construction Sdn. Bhd. (**"MCSB"**) spearheads the Group's Civil Engineering division. The division specialises in rock blasting, excavation, earthworks, roads and drainage, water reticulation and sewage, giving the Group a unique value proposition for the construction, property development and gold mining industries.

The Civil Engineering division allows the Group to enjoy better efficiency by sharing resources between the quarry, construction and property development sites. In addition, the division complements the Group's quarry and bituminous products through lead generation.

The Civil Engineering division is the lead contributor to the Group, recording RM55.5 million in annual revenue for the financial period under review, representing more than 60% of the total annual revenue. This division registered a Profit Before Tax of RM2.8 million in the same financial year. The revenue achieved was driven by both new and existing projects.

For the Selinsing Gold Mine Project, the Group continues to commit to the 3-year award extension for the prospecting and mining of gold, awarded on 1 July 2020. The contract is worth RM70.0 million and will consistently generate revenue for Minetech until 30 June 2023.

This division regularly tenders for new projects, especially in the infrastructure construction sub-sector and is expected to continue benefiting from ongoing and future infrastructure projects.

Mining operations at a gold mine in Pahang

Road upgrading works along Cheras-Kajang Expressway

Management Discussion and Analysis (Cont'd)

BUSINESS SEGMENT REVIEW (CONT'D)

Civil Engineering (Cont'd)

The Civil Engineering division is looking to expand its core competencies beyond rock blasting, excavation, earthworks, roads and drainage, water reticulation and sewage to construction and structural engineering. This expansion enables the division to tender for larger projects such as MRT3 as the preferred subcontractor of the leading construction players in the future.

Bituminous Products

Spearheaded by Minetech Asphalt Man International Sdn. Bhd. (**"MAMI"**), a subsidiary of Minetech, this division is involved in the production and sale of bituminous products for pipe coating, waterproofing and sealing, mainly for concrete structures or building works and road construction. The Group's manufacturing plant is located at Ulu Yam, Selangor. Its products are sold locally and abroad, predominantly targeting the Southeast Asian market. Even though the muted economy and business disruptions occurred, this division recorded a revenue of RM15.2 million, making up 18% of the Group's annual revenue. The Bituminous Products division registered a Profit Before Tax of RM0.5 million in FYE 2022.

The demand for bituminous products has been increasing steadily due to the upcoming infrastructure projects that would drive the demand for waterproofing, sealing and pipe coating products. Recently, MAMI has doubled its emulsion plant capacity from 1,800 drums per month to 3,600 drums per month in May 2022.

The demand for Coating Enamel (**"CE"**) products has also been increasing, thus providing MAMI the golden opportunity to invest and increase production capacity. The current production capacity is at 480MT per month, with 90% utilisation in the recent months.

In addition, MAMI is expanding its bitumen storage tank with a heating system to capitalise on opportunities to purchase bitumen at low prices in bulk.

MAMI is also actively exploring new customers, especially those from the CE and Blown Grade Bitumen categories, locally and abroad, to widen and strengthen its customer base.

MAMI's factory located at Ulu Yam, Selangor

Blown Grade Bitumen for export

Management Discussion and Analysis (Cont'd)

BUSINESS SEGMENT REVIEW (CONT'D)

Renewable Energy

The transition from non-renewable energy to renewable energy is a global trend. While there are other renewable energy options such as hydro and wind, Malaysia has some of its highest solar potentials due to its location in the equatorial zone. Despite the recent solar photovoltaic manufacturing cost spike due to the pandemic, looking back at the past decade, solar energy systems have seen an 85% cost decline. In addition, there has been a considerable increase in efficiency from 2% in 1955 to over 20% in 2022.

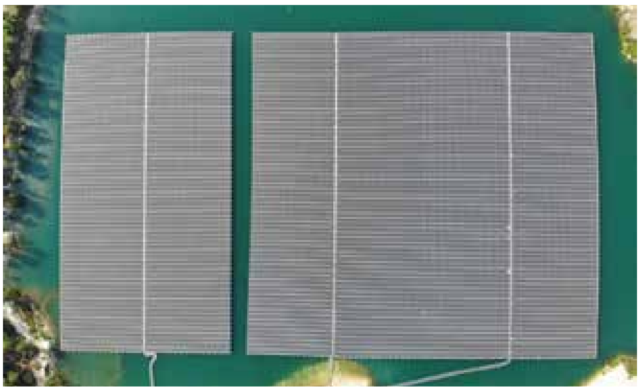
Malaysia's carbon-neutral goal by 2050 places it ahead of its Southeast Asian peers in carbon commitments; Indonesia aims for net-zero emissions by 2060, while Thailand by 2070. A recent initiative in the 12th Malaysia Plan highlights carbon tax credits, taxing companies burning fossil fuels by volume or weight of emissions. In addition, policies such as Net Energy Metering ('NEM') 3.0, Smart Automation Grants ('SAG'), and Green Investment Tax ('GITA') have helped allow the clean energy industry in Malaysia to thrive.

The Group initially ventured into the renewable energy business through its 70% owned subsidiary, Coral Power Sdn. Bhd. (**"CPSB"** or **"Coral Power"**). In 2018, the Energy Commission awarded CPSB the development of a 9.99MW AC floating solar power plant in Pantai Remis, Perak. The development of the floating solar power plant commenced in November 2020 and is expected to be completed and begin operation in the fourth quarter of 2022.

Upon operation, the solar power plant will be one of Malaysia's early floating solar power plants. By installing solar power plants on floating structures tied to a buoyant structure that secures it above the waterline, valuable land space can be used for other purposes. In addition, the floating solar power plant is also built on an ex-mining pond, turning an otherwise unusable area into beneficial use. Furthermore, a floating solar power plant promotes higher solar panel performance as the surrounding water helps cool down the solar equipment, which translates to higher productivity.

Upon commissioning the solar power plant, the Group will appoint external consultants with the relevant renewable energy experience and hire experienced personnel to assist, manage and support the Group in terms of technicality, operational and maintenance aspects.

In March 2021, the Group registered as a solar photovoltaic investor with the Sustainable Energy Development Authority Malaysia (**"SEDA"**). Under SEDA's Net Energy Metering Programme or NEM 3.0, Minetech will be able to sell electricity to government agencies, businesses and individuals.



Solar power plant in Pantai Remis, Perak

Management Discussion and Analysis (Cont'd)

BUSINESS SEGMENT REVIEW (CONT'D)

Financial Technology

Uniqa (M) Sdn. Bhd. (**"Uniqa"**) is a financial technology solution provider in Malaysia, specialising in a suite of payment solutions. It is incorporated to support Malaysia's Financial Sector Blueprint 2022-2026's Strategic Thrust 3 – Advancing digitalisation of the financial sector, whereby financial technology solution providers leverage technology to further strengthen the Bank's regulation and supervision of the financial industry.

Uniqa's system is used by local banks in Malaysia, focusing mainly on cross-border remittance payments. Uniqa is an approved system provider under section 40 of Bank Negara Malaysia (**"BNM"**) Money Service Business Act 2011. Currently, Uniqa has two local banks using its remittance system and is working closely with its local partner bank to establish partnerships with several overseas banks in Indonesia, China, the Philippines, the Middle East and Europe.

Through its wholly-owned subsidiary, Techmile Resources Sdn Bhd (**"TRSB"**), the Group has, on 12 March 2021, sealed an agreement for the 60% acquisition of Uniqa for a total consideration of RM2.83 million. This acquisition will allow the Group to leverage on Uniqa's extensive network and extend TRSB's reach into the financial technology industry in a shorter time. At the same time, this acquisition allows the Group to be a part of BNM's objective to foster better efficiency and effectiveness in the remittance business and promote the use of the formal channel to curb illegal remittance activities especially involving the foreign workers' segment.

The Group's current focus is to secure the class B full remittance license by BNM by December 2022, expand the existing remittance coverage and introduce additional remittance products and modes of payments. In addition, the Group aims to build and expand its capabilities to offer comprehensive fintech solutions in the longer term.

Food Trading

The Group, through its wholly-owned subsidiary, Minetech Commerce Sdn. Bhd. (**"MCMSB"**) (formerly known as Diman KS Chin Sdn. Bhd.) has developed strategic partnership with a local private company, to import and trade processed food products from a South Korean food manufacturer. Under the agreement, MCMSB is responsible for selling the products to local wholesalers and retailers.

The execution of the teaming agreement also provides the Group with an added opportunity to venture into the food trading industry to mitigate its reliance on any particular business segment and create an additional revenue stream for the Group. As a result, the Group expects the new segment to contribute a sizable net profit to the Group in the future.

Management Discussion and Analysis (Cont'd)

FINANCIAL REVIEW

REVIEW OF FINANCIAL RESULTS AND FINANCIAL CONDITION

Financial highlights for the Group for the past five financial years are as follows:

	FYE 31 March 2022 RM'000	FYE 31 March 2021 RM'000	FYE 31 March 2020 RM'000 (restated)	FYE 31 March 2019 RM'000	FYE 31 March 2018 RM'000
Revenue	85,391	95,021	82,236	135,007	121,128
(Loss)/Profit before interest, taxes, depreciation and amortization	(16,855)	9,022	(13,015)	(266)	12,195
(Loss)/Profit before taxation	(24,340)	4,016	(19,454)	(12,352)	1,129
(Loss)/Profit after taxation from continuing operations	(25,192)	897	(20,994)	(14,295)	(1,402)
Net assets ("**NA**")	83,103	92,341	57,570	84,808	75,744
Total assets	183,979	193,618	120,443	177,030	149,149
Total liabilities	100,876	101,277	62,873	92,222	73,405
Borrowings	48,420	37,132	22,432	35,003	30,420
Net Gearing (times)	0.46	0.24	0.21	0.36	0.38
(Loss)/Earnings per share (sen)	(1.90)	0.09	(2.22)	(1.71)	(0.40)
NA per share (sen)	7.36	7.79	4.75	9.15	10.37
Dividend per share (RM)	-	-	-	-	-

Management Discussion and Analysis (Cont'd)

FINANCIAL REVIEW (CONT'D)

REVIEW OF FINANCIAL RESULTS AND FINANCIAL CONDITION (continued)

In addition to the above, the Group's segmental revenue for the FYE 2022, FYE 2021, FYE 2020, FYE 2019 and FYE 2018 are as follows:

Segmental revenue	FYE 31 March 2022 RM'000	FYE 31 March 2021 RM'000	FYE 31 March 2020 RM'000	FYE 31 March 2019 RM'000	FYE 31 March 2018 RM'000
Quarry products	3,203	3,768	23,207	69,242	54,983
Civil engineering	55,511	54,936	47,067	54,040	27,211
Asphalt premix products	-	-	40	395	24,392
Bituminous products	15,161	11,400	15,199	14,699	14,645
Property development	-	-	-	2,152	-
Services	7,515	24,332	-	-	-
Others	6,179	2,348	554	864	217
Sub-total	87,569	96,784	86,067	141,392	121,448
(-) Inter-company elimination	(2,178)	(1,764)	(3,831)	(6,385)	(320)
Total	**85,391**	**95,020**	**82,236**	**135,007**	**121,128**

Management Discussion and Analysis (Cont'd)

FINANCIAL REVIEW (CONT'D)

REVIEW OF FINANCIAL RESULTS AND FINANCIAL CONDITION (continued)

	FYE 31 March 2022 RM'000	FYE 31 March 2021 RM'000	FYE 31 March 2020 RM'000 (restated)	FYE 31 March 2019 RM'000	FYE 31 March 2018 RM'000
Current Assets					
Inventories	2,496	2,019	8,389	17,246	7,272
Trade receivables	35,203	18,287	28,980	35,340	34,793
Other receivables	16,121	3,433	7,133	12,908	21,888
Amount due from associate	-	9,791	-	22	149
Other investments	2,510	466	155	839	1,527
Cash and bank deposits	16,427	22,547	17,780	16,101	8,399
Contract assets	18,176	36,222	3,327	8,904	-
	90,933	**92,765**	**65,764**	**91,360**	**74,028**
Current Liabilities					
Trade payables	42,731	32,464	26,352	29,718	31,065
Other payables	6,225	6,035	11,514	24,372	8,708
Loans and borrowings	34,026	20,187	11,698	18,598	10,904
	82,982	**58,686**	**49,564**	**72,688**	**50,677**
Net Current Assets	**7,951**	**34,079**	**16,200**	**18,672**	**23,351**

Management Discussion and Analysis (Cont'd)

FINANCIAL REVIEW (CONT'D)

REVIEW OF FINANCIAL RESULTS AND FINANCIAL CONDITION (continued)

The Group recorded a Loss After Tax for FYE 2022 of RM25.2 million compared to RM0.9 million Profit After Tax in the previous year. This is mainly due to the reduction in revenue from RM95.0 million to RM85.4 million, which represented a 10.1% decrease year-on-year. The Group also recorded a Loss per Share of 1.90 sen, versus FYE 2021's Earnings per Share of 0.09 sen.

In the current financial year, the major revenue contributors were the Civil Engineering division which generated RM55.5 million (FYE 2021: RM54.9 million) and Bituminous Products which recorded RM15.2 million (FYE 2021: RM11.4 million) in revenue. Both divisions recorded a revenue increase of 1% and 33% respectively against the preceding year.

Despite the challenging year for the construction industry, the Civil Engineering division maintains its performance which was mainly attributable to existing and new projects. Existing projects include the electrified double-track from Gemas to Johor Bahru (Package 3 and 4) and road upgrading along the Cheras-Kajang Expressway. On the other hand, new project secured in FYE 2022 include the following:

- On 10 March 2022, MCSB secured a construction contract worth RM9.5 million from GLM Emerald Square (Cheras) Sdn. Bhd. for the execution and completion of External Link Bridge, Covered Walkway and Associated Works for the proposed Emerald 9 Cheras Development on Lot 809 and 810, Mukim Cheras, Daerah Hulu Langat, Selangor. The project commenced on 1 March 2022 and is expected to be completed by 28 November 2022.

- On 1 April 2022, Minetech secured another RM4.4 million contract from GLM Emerald Square (Cheras) Sdn. Bhd. for the construction of external infrastructure and associated works for the Emerald 9 Cheras Development. The project commenced on 1 April 2022 and is expected to complete by 30 November 2022.

In addition, the contract for waste removal, ore delivery and associated works for open-pit mining at Selinsing Gold Mine recorded an approximately 60% contribution to the division's revenue for the current financial year.

The Bituminous Products division recorded RM15.2 million in revenue, contributing to 18% of the Group's total revenue. The division recorded a healthy 33% increase from prior year's revenue of RM11.4 million as demand for coating and waterproofing materials has rebounded.

The Quarry Products division however recorded a revenue of RM3.2 million, 16% lower than the preceding year's revenue of RM3.8 million.

The Food Trading division has generated a healthy RM2.4 million in revenue in FYE 2022 and is expected to contribute higher revenue in the subsequent months.

Management Discussion and Analysis (Cont'd)

FINANCIAL REVIEW (CONT'D)

REVIEW OF FINANCIAL RESULTS AND FINANCIAL CONDITION (continued)

In terms of Operating Expenses, the Group incurred RM28.2 million, which is higher than RM15.2 million recorded in the previous financial year. This is mainly due to the Group has undertaken goodwill and receivables impairments exercises during the year totalling to RM9.6 million.

In terms of Finance Costs, the Group incurred RM1.2 million, which is 12% higher than FYE 2021 of RM1.0 million due to increased loan drawdown from the solar power plant construction.

Total Assets

As of 31 March 2022, the Group recorded a total asset of RM183.9 million, which was 5.1% lower than RM193.6 million in the previous financial year.

The Group's Trade Receivables have increased from RM18.3 million in FYE 2021 to RM35.4 million in FYE 2022 as portions of the Contract Assets have been transferred into receivables as the right to bill became unconditional. The Group continued to execute group-wide debtors collection improvement initiatives, including creating a more efficient billing system, improving customer relations, and providing systematic reminders. These initiatives are closely monitored by the Credit Control Committee. The Group strives to improve its Trade Receivables turnover days which is currently at 70 days.

The asset value of property, plant and equipment increased from RM36.5 million in FYE 2021 to RM65.5 million in FYE 2022 due to the capitalisation of construction work of the solar power plant.

Total Liabilities

Total Liabilities of the Group stand at RM100.9 million as of 31 March 2022, 0.4% lower than RM101.3 million as of 31 March 2021. There has been an increase in Trade Payables and borrowings however the increase was mitigated by the absence of Liabilities classified as held for sale as a subsidiary was divested during the year.

Net Current Assets

The Group's net current assets reduced to RM7.9 million as of 31 March 2022 from RM34.1 million as of 31 March 2021 due to higher drawdown of borrowings.

Nevertheless, the Group recorded a positive current ratio and quick ratio of 1.09 times and 1.07 times, respectively.

Management Discussion and Analysis (Cont'd)

FINANCIAL REVIEW (CONT'D)

REVIEW OF FINANCIAL RESULTS AND FINANCIAL CONDITION (continued)

	FYE 31 March 2022	FYE 31 March 2021	FYE 31 March 2020 (restated)	FYE 31 March 2019	FYE 31 March 2018
CASH FLOWS FROM OPERATING ACTIVITIES	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
(Loss)/Profit before tax	(24,340)	4,016	(19,454)	(12,352)	1,129
Operating profit/(loss) before changes in working capital	**(12,997)**	**5,322**	**1,697**	**5,550**	**7,465**
Net cash from/(used) in operating activities	**(14,435)**	**(7,042)**	**(3,734)**	**5,104**	**(12,666)**
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment	(29,715)	(20,933)	(982)	(3,400)	(2,832)
Proceeds from disposal of property, plant and equipment	1,433	413	8,286	11,584	2,973
Amount due from associates	9,790	(9,790)	(98)	-	-
Purchase of inventories	-	-	-	(2,550)	(6,000)
Acquisition of other investment	(2,094)	(311)	-	-	-
Proceed from disposal of other investments	-	750	-	-	-
Net cash from disposal of other investments	-	-	684	(1,527)	14,273
Investment in associate	-	-	-	-	-
Net cash from disposal of a subsidiary companies	5,100	-	6,649	-	4,065
Net cash from acquisition of subsidiary companies	-	-	-	3	(14,748)
Amount due from associates	-	-	-	86	235
Net cash generated from/(used in) investing activities	**(15,486)**	**(29,871)**	**14,539**	**3,222**	**4,196**

Management Discussion and Analysis (Cont'd)

FINANCIAL REVIEW (CONT'D)

REVIEW OF FINANCIAL RESULTS AND FINANCIAL CONDITION (continued)

	FYE 31 March 2022	FYE 31 March 2021	FYE 31 March 2020 (restated)	FYE 31 March 2019	FYE 31 March 2018
CASH FLOWS FROM FINANCING ACTIVITIES	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Net (repayment)/drawdown of short-term borrowings	4,270	(1,921)	(771)	(864)	770
Repayment of term loans	(4,006)	(402)	(960)	(147)	(828)
Drawdown of term loans	14,000	15,700	-	4,000	-
Movement in fixed deposits pledged	1,093	(114)	3,807	(921)	(328)
Repayment of hire-purchase and lease creditors	(1,208)	(2,564)	(4,368)	(5,283)	(6,369)
Proceeds from issuance of shares	17,480	34,286	-	972	9,000
Drawdown of overdraft facilities	(5,067)	(1,497)	-	-	-
Net cash (used in)/ from financing activities	**26,562**	**43,488**	**(2,292)**	**(14,451)**	**(2,244)**
Net change in cash & cash equivalents	**(3,359)**	**6,575**	**8,513**	**(6,125)**	**(10,715)**
Cash and cash equivalents at end of year	**7,470**	**10,829**	**4,254**	**(4,259)**	**(10,384)**

Management Discussion and Analysis (Cont'd)

FINANCIAL REVIEW (CONT'D)

REVIEW OF FINANCIAL RESULTS AND FINANCIAL CONDITION (continued)

Cash Flows

The Group is committed to upholding its financial discipline by maintaining effective working capital management to achieve optimal operational efficiency and a robust balance sheet position. Notwithstanding that, amidst a challenging business environment, the total cash and cash equivalents of the Group as of 31 March 2022 stood at RM16.4 million, which is 27.1% lower than the previous financial year's RM22.5 million.

1. **Operating Activities**
   In the current financial year, the Group recorded net cash used in Operating Activities of RM13.0 million.

2. **Investing Activities**
   In the current financial year, the Group recorded net cash utilised in investing activities of RM15.5 million, lower than RM29.9 million recorded in the preceding financial year. Net additions in property, plant and equipment of RM29.8 million were mitigated by proceeds from the divestment of a subsidiary.

3. **Financing Activities**
   In the current financial year, the Group has generated net cash from financing activities of RM26.6 million through equity and debt funding, the bulk of it from the rights issuance of RM17.5 million.

CAPITAL AND RESOURCES REVIEW

Acquisition or Divestment

Proposed Acquisition of Freehold Land in Kuala Lumpur

In FYE 2022, the Group proposed the acquisition of an RM60.0 million in a freehold land located approximately 3.5 km east of Kuala Lumpur City Centre through MRB Property Sdn Bhd, a wholly-owned subsidiary of Minetech. The objective is to increase the Group's land bank at strategic locations with growth potential and to scale its property development portfolio. The purchase consideration will be satisfied entirely in cash, utilising Total Proceeds from the Rights Issue and Private Placement exercises.

Capital Structure and Capital Resources

On 24 November 2021, the Group effected the share capital reduction of RM90.0 million to eliminate the Group's accumulated losses.

Known Trends and Events

Except for the general market trends, there are no known trends or events, including balance sheet conditions, income or cash flow items that may affect the Group's operations in the coming financial year.

Management Discussion and Analysis (Cont'd)

CAPITAL AND RESOURCES REVIEW (CONT'D)

Capital Market Exercises

Rights Issue, Fully Subscribed

On 28 June 2021, the Group had procured approvals from its shareholders for the Rights Issue of ICPS. Accordingly, on 25 October 2021, the Company had completed the Rights Issue of ICPS upon the listing and quotation of 582,664,397 ICPS on the Main Market of Bursa Malaysia Securities Berhad (**"Bursa Securities"**). As a result, under the full subscription of the Rights Issue of ICPS, Minetech successfully raised the total gross proceeds of RM17.5 million.

Private Placement, Ongoing Subscription

On 28 June 2021, the Group implemented a Private Placement exercise, offering up to 349,598,600 new ordinary shares, representing up to 30% of the Company's existing number of issued Shares. The Private Placement is expected to raise gross proceeds of up to RM55.94 million based on the indicative issue price of RM0.16 per Placement Share.

On 23 November 2021, the Group announced that Bursa Securities resolved to grant Minetech an extension of time until 19 May 2022 to complete the Private Placement implementation. Accordingly, no new shares have been placed out at this juncture. On 29 April 2022, the Group applied to Bursa Securities seeking its approval for the second extension until 19 November 2022 for the Company to complete the implementation of the Private Placement.

Dividend Policy

The Group has not established any dividend policy. Accordingly, the Group has not declared any dividend since the previous financial year.

RISKS AND MITIGATION STRATEGIES

The Group's Audit and Risk Management Committee has identified the top 5 risk areas and has devised mitigation strategies to ensure the Group's long-term profitability and sustainability.

1. **Business Risks (Insufficient Order Book):** For the civil engineering segments, maintaining a healthy order book is challenging to ensure consistent revenue and income for the Group due to the industry's highly competitive market.

   <u>Risk Mitigation Strategies:</u> The Group is looking to expand its core competencies beyond rock blasting, excavation, earthworks, roads and drainage, water reticulation and sewage to construction engineering, structural engineering, environmental engineering and geotechnical engineering. This enables the segment to become more competitive and qualified to tender for larger projects such as MRT3 as the main contractor or preferred subcontractor of the leading construction players in the future.

2. **Competition Risks:** Stiff competition in the civil engineering market, shrinking demand and overcapacity have induced a price-cutting and unfair bidding business environment.

   <u>Risk Mitigation Strategies:</u> The Group enlarges its market covering, expands on its existing customer base and establishes a close working relationship with current and potential clients to get a continuous invitation to tender for projects.

3. **Regulatory Risks:** Change of state government or local authority and policies, mainly applicable to the financial technology segment.

   <u>Risk Mitigation Strategies:</u> The Group keeps abreast of the latest fintech regulatory changes and quickly adapts to them.

Management Discussion and Analysis (Cont'd)

RISKS AND MITIGATION STRATEGIES (CONT'D)

4. **Cash Flow and Liquidity Risks:** The current downturn in the construction industry has slowed the cash collection cycle, and the tight requirements for funding by banks have increased this risk.

   Risk Mitigation Strategies: The Group focuses on cost control measures and cash conservation. The Group also practices extra vigilance on capital expenditure and spending to ensure healthy cash flow and liquidity.

5. **Credit and Interest Risks:** The provision of credit for customers, which is the norm in our business, has its inherent risk in the collection phase.

   Risk Mitigation Strategies: The Group conducts customer due diligence before engaging in business transactions. The Group also places stringent credit control procedures and policies on all existing and new customers to mitigate credit and interest risks.

OUTLOOK

2022 is set to be a watershed year as most countries progressively transition towards endemic management of COVID-19. For Malaysia, the pace of economic recovery is projected to gather further momentum amid the reopening of the economy and international borders. Malaysia has joined the growing number of nations that are transitioning towards endemicity. Better COVID-19 management and higher vaccination rates will help mitigate the adverse impact of future resurgences and thus protect our healthcare system from being overwhelmed. With the world learning to live with COVID-19, restrictions will likely be eased over time, setting the stage for a rebound in the global economy. With these factors in mind, we expect less disruption to economic activity and spending.

Moving forward, the consolidated and streamlined Minetech will be involved in 5 segments: Civil Engineering, Bituminous Products, Renewable Energy, Financial Technology and Food Trading.

For the Civil Engineering segment, besides generating consistent revenue through the Selinsing Gold Mine Project until 30 June 2023 and completing existing projects, the Group proactively expands its core competencies to include structure and building works. The Group will also be focusing on participating in the recently announced MRT 3 project.

For the Bituminous Products segment, investment into capacity expansion and new product introduction will be made to capitalise on the increased demand from the market due to upcoming infrastructure projects.

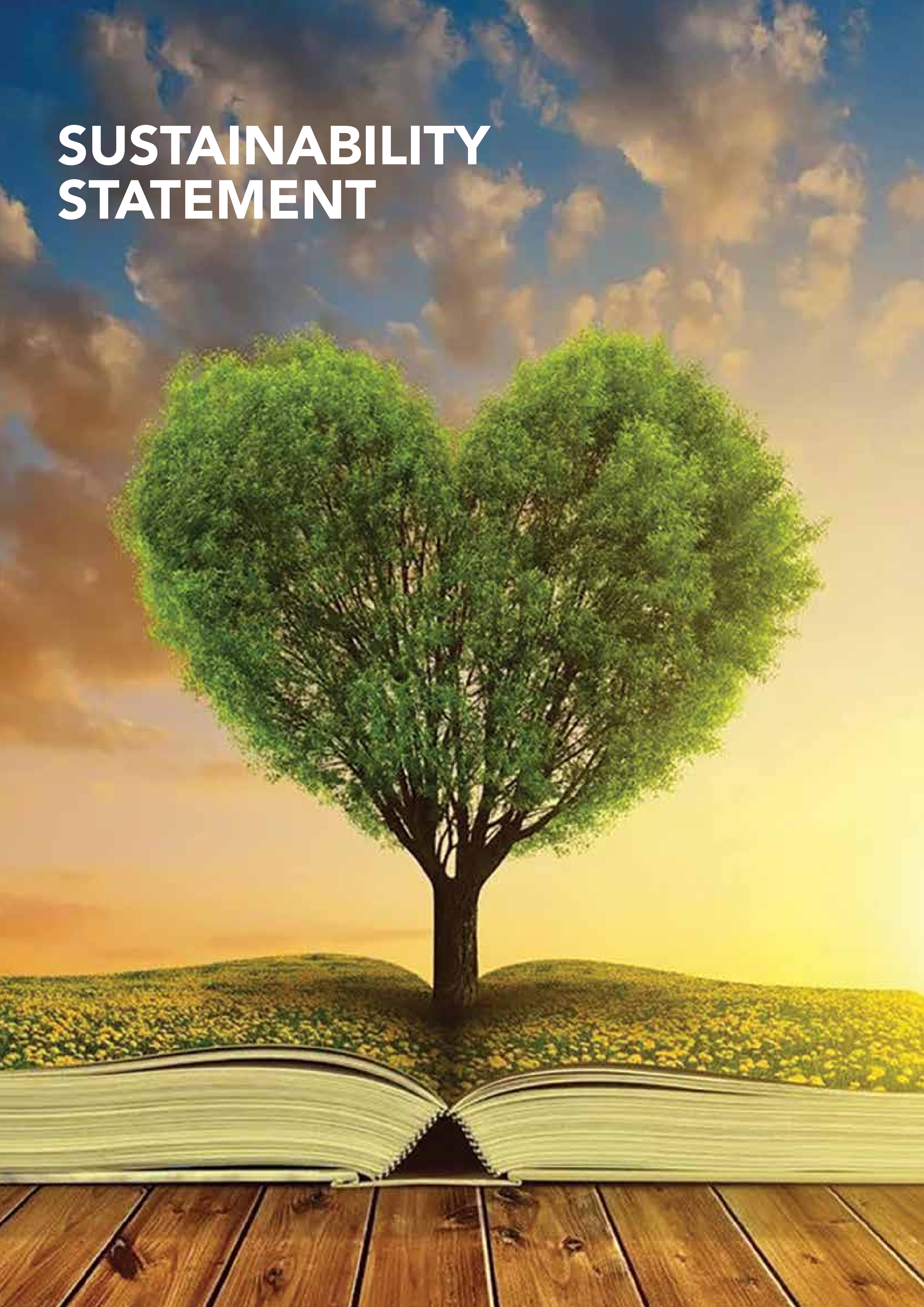
The Group is ready to ride on the global transitioning trend from non-renewable energy to renewable energy for the Renewable Energy segment. Upon completion of the floating solar plant, the Group will be actively looking for opportunities to acquire new solar assets to expand the segment.

For the Financial Technology division, the Group's current focus is to secure the remittance license, expand the existing remittance coverage and introduce additional remittance products and modes of payments. In the longer term, the Group aims to build and expand its capabilities to offer comprehensive fintech solutions to serve local partner banks and potentially overseas banks in Indonesia, China, the Philippines, and countries in the Middle East and Europe.

For the Food Trading segment, the Group will continuously identify opportunities to increase revenue through expanding its product line and new customer acquisition.

Overall, Minetech takes a cautiously optimistic approach across its newly consolidated streamlined segments.

SUSTAINABILITY STATEMENT



SUSTAINABILITY STATEMENT

ABOUT THIS STATEMENT

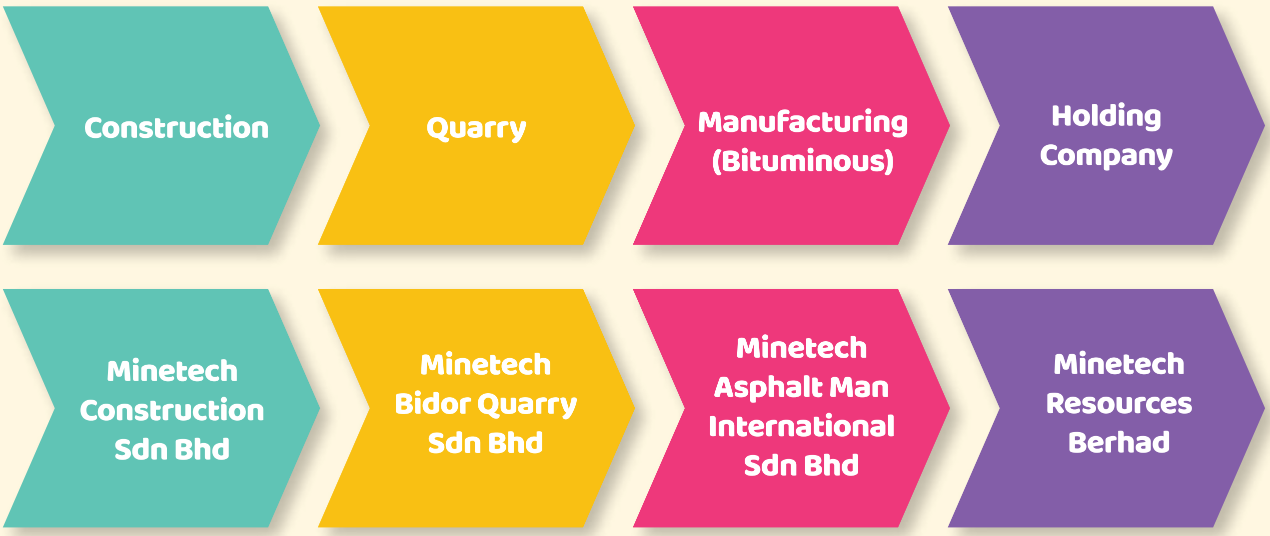
Minetech Resources Berhad (**"Minetech"**) or (**"the Company"**) is committed to operating responsibly, inculcating a sustainability mindset among our employees and across the value chain of our businesses to achieve long-term value creation. This Sustainability Statement outlines the sustainability agenda at Minetech Group and reports on the sustainability practices and performance of our daily operation throughout Financial Year Ended 2022 (**"FYE 2022"**).

The Sustainability Statement (**"the Statement"**) is prepared in accordance with Bursa Malaysia's Listing Requirements and Sustainability Reporting Guide, with the guidance of the Global Reporting Initiative (**"GRI"**).

Our sustainability efforts cover three areas, Economic, Social and Environmental, and the relevant stakeholders within these areas that play a role in the long-term growth of the Group.

This Sustainability Statement highlights our efforts, achievements, risks, and areas of opportunity in the Group's operation for FYE 2022 and covers all aspects that are material to the Group.

This statement covers the business operations and activities of the Group and its subsidiaries, in particular the three (3) main divisions namely Construction, Quarry and Manufacturing of Bituminous Products.



Sustainability Statement (Cont'd)

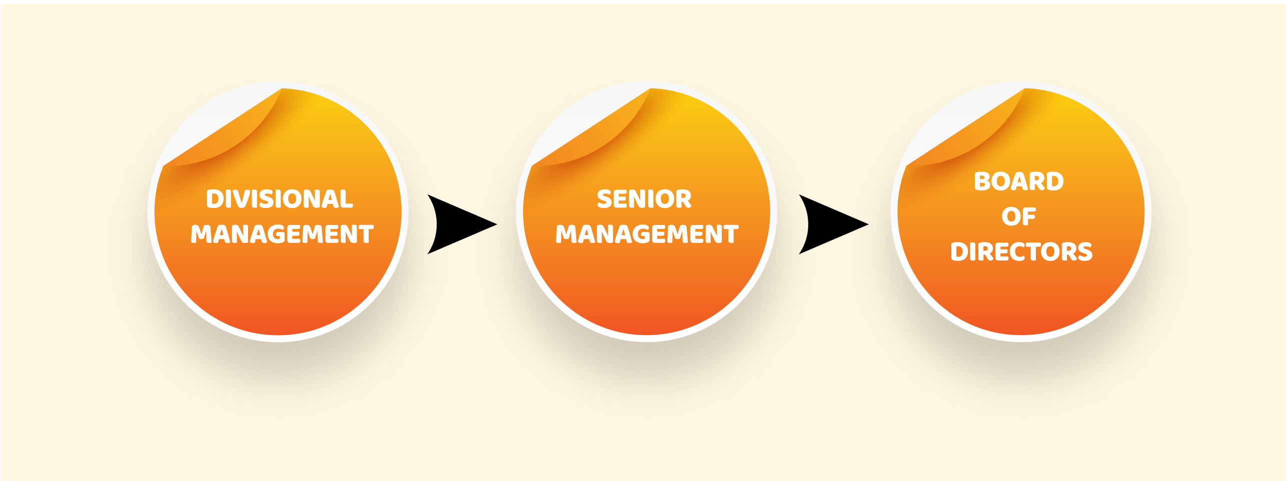
OUR APPROACH TO SUSTAINABILITY

Minetech's approach to sustainability is centred around embedding sustainability as a part of our business, promoting integrity and quality of services and promoting accountability and understanding of sustainability across the Group. Our approach to sustainability takes into account the needs, interests, concerns and expectations of our key stakeholders.

Sustainability Governance

At Minetech, good governance plays a vital role in achieving the Company's objective. The Group recognises the importance of conducting our business in a sustainable manner and in accordance with the applicable laws and principles of good governance and highest standards of integrity. We are committed to comply with the Malaysian Code on Corporate Governance and work to uphold sound and transparent management practices aligned to industry standards.

As such, a sustainability governance structure was established for the management of the Group's decision-making processes, oversees sustainability performance and the implementation of actions and strategies across the Group. Our sustainability structure is illustrated as follows:



Board of Directors ("the Board")

The Board provides oversight to the sustainability practices across the Group, supported by the Executive Directors, who ensure the active promotion and effective implementation.

Senior Management

The Senior Management develops and maps out sustainability material matters and issues relevant to the Group and incorporates sustainability practices into the business model, which encompasses risks and opportunities.

Divisional Management

The Heads of divisions, through their appointed staff implement and execute sustainability strategies and ensures its alignment to business operations.

Sustainability Statement (Cont'd)

OUR APPROACH TO SUSTAINABILITY (CONT'D)

Upholding good corporate governance

We are committed to uphold good corporate governance and responsible business practices in our day-to-day operations. As such, we have in place a series of policies to cultivate transparency, integrity and accountability.

Key Stakeholders Engagement

At Minetech, we aim to maximise shareholder value. As such, we make it a priority to continuously engage our various stakeholders to keep them abreast of Minetech's business performance, key developments, strategies and insights and help us to address their concerns and inquiries better. We define stakeholders as groups who affect and/or could be affected by our business, operations, products or services and associated performance.

Stakeholder	Forms of Engagement	Stakeholder's Concern
Shareholders / Investors – providers of our capital	• Annual General Meeting (AGM) • Annual Reports • Corporate announcements	• Financial performance • Return on investment • Dividends
Customers – buyers of our products and services	• Meetings, discussions and business communication on a day-to-day basis • Monthly progress meeting and progress report	• Product and service quality and pricing • Occupational health and safety
Suppliers – providers of our materials, labour and expertise support services	• Tender exercises • Meetings, discussion and business communication on a day-to-day basis • Suppliers/ subcontractors' performance evaluation	• Enhancing ethical and fair procurement system • Product and service quality and pricing • Occupational health and safety
Employees – our most critical resources to achieve our business objectives	• Training and development • Performance management • Employment contract • Employee handbook • Company annual dinner • Meeting/discussion • Occupational health and safety activities	• Career development • Employee welfare • Occupational health and safety
Regulatory Authorities – govern and guide our business operations	• Regular consultation and meetings • Periodical reporting • Inspection by authorities	• Compliance with laws and regulations
Local Communities – parties that are impacted by our business operations	• Community events and contributions	• Community living • Personal well-being

Sustainability Statement (Cont'd)

Materiality Assessment and Key Sustainability Matters

We engaged both internal and external stakeholders to identify, categorise, and prioritise our key sustainability matters. The facilitation of materiality assessment was driven by a management review of the Group's business operations and risk areas and feedback from the Board of Directors and Senior Management.

The Group undertook a comprehensive mapping in 2018 and carries out reviews on an annual basis. No material changes were made to our materiality and the key sustainability matters outlined below are consistent with the previous year's statement:

No	Key Sustainability Matters	GRI Guidelines
Economic		
1	Economic Performance	GRI 201-2 Financial implications and other risks and opportunities due to climate change
2	Market Presence	GRI 202-1 Ratios of standard entry level wage by compared to local minimum wage
3	Anti-Corruption	GRI 205 Anti-Corruption
Environmental		
4	Water	GRI 303-6 Water recycled and reused
5	Effluent and waste	GRI 306-1 Water discharge by quality and destination
		GRI 306-3 Significant spills
		GRI 306-4 Transport of hazardous materials
		GRI 306-5 Water bodies affected by water discharges and/or runoff
6	Environmental compliance	GRI 307-1 Non-compliance with environmental laws and regulation
Social		
7	Employment	GRI 401-2 Benefits provided to full-time employees
		GRI 401-3 Parental leave
8	Occupational health and safety	GRI 403-2 Occupational Safety and Health
9	Employee training	GRI 404-1 Average hours of training per year per employee
		GRI 404-2 Programs for upgrading employee skills and transition assistance programs
10	Diversity and equal opportunity	GRI 405-1 Diversity of governance bodies and employees
11	Local communities	GRI 413-2 Operations with significant actual and potential negative impacts on local communities
12	Product and service quality	GRI 416-1 Assessment of the health and safety impacts of product and service categories
13	Compliance with laws and regulations	GR1 419 Socioeconomic compliance

Sustainability Statement (Cont'd)

Materiality Assessment and Key Sustainability Matters (Cont'd)

The details of material sustainability matters are further explained in the following sections:

A. Economic

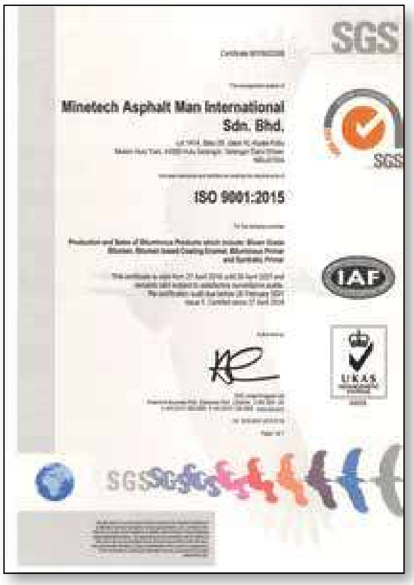
The economic aspect provides insights into our interactions with the marketplace and how our business activities impact our various stakeholders.

Product Quality

The Group demonstrates its commitment to delivering high-quality and safe products and services in accordance with the standards upheld by certification bodies. Our products reinforce Minetech's presence and branding, encourage customer loyalty and promote business viability.

Extensive research and development were carried out in creating bituminous products that have a lifespan above market average, at more than 5 years. These are mainly used for preventative coating of metal surfaces, waterproofing and sealing for building works, and as a material in road construction.

Our Construction and Manufacturing Quality Management System carries ISO 9001:2015 certification from British Assessment Bureau and SGS. This is a testament to our focus on manufacturing products that meet regulatory requirements.



Sustainability Statement (Cont'd)

A. Economic (Cont'd)

Compliance with Laws and Standards

The Group advocates strict compliance with all relevant national regulations including:

Section	Types compliance with laws and standards
Labour	• Employment Act 1955 • Personal Data Protection Act 2010 • Workmen Compensation Act 1952 • Employees' Social Security Act 1969 • Employees Provident Fund Act 1991 • Income Tax Act 1967
Safety, Health and Environment	• Occupational Safety & Health Act, 1994 • Fire Service Act, 1988 • Environmental Quality act, 1974 • Factories and Machinery Act 1967 • Standard Operating Procedures (**"SOP"**) in relation of managing Covid 19 by Ministry of International Trade and Industry (**"MITI"**) and Construction Industry Development Board (**"CIDB"**) • Guidelines COVID-19 Management in Malaysia No.5/2020 by Ministry of Health (**"MOH"**)
Construction	• Lembaga Pembangunan Industri Pembinaan Malaysia Act (CIDB Act)

Anti – Corruption

The Group is fully committed to ensuring the highest business conduct, upholding integrity and good corporate governance. The Group has zero-tolerance towards corruption and bribery. Our Anti-Bribery Management System Policy was established and implemented on 1 June 2020. For 2022, we are pleased to report that there have been no reported incidents of corruption and bribery.

Code of Ethics and Conduct

All Directors are in compliance with the Code of Ethics and Conduct, which is available on our corporate website at: www.minetech.com.my. Upon joining, employees are provided an Employee Handbook which contains the Code of Ethics and Conduct.

The Employee Handbook sets a clear tone and outlines the procedures for any cases of misconduct, further enforced by the modified Human Resource SOP.

Minetech has in place appropriate clauses for contract with dealers, consultants and suppliers as part of the improvements to our anti-corruption efforts.

The rules of conduct applied to employees and Directors are intended to articulate our fundamental principles and guidelines in upholding ethical standards and the Group's commitment to stakeholders in preserving economic sustainability.

Sustainability Statement (Cont'd)

A. Economic (Cont'd)

Whistleblower Policy

Minetech's zero tolerance to corruption and on unethical behaviour are clearly set out in its Code of Ethics and Conduct, Group's Policy anti-corruption, and other governing documents, which are enforced across all business divisions.

A Whistleblower Policy was reviewed and approved by the Board of Directors on 9 June 2021. The policy supports our commitment to ethical business conduct whereby all employees of the Group have a professional responsibility to report any concerns such as known malpractices, wrongdoings, corporate misbehaviour and fraudulent activities, via communication channel established as stated in the Whistleblower Policy.

Whistle-blowers' identities are kept in confidence to the extent possible to facilitate the independent investigations for appropriate remedial and follow-up actions. A copy of the Whistleblower Policy is uploaded into our corporate website at: www.minetech.com.my.

There were no instances or complaints on suspected corrupt or unethical behaviour of our employees that Minetech was aware of (FY2022: No case reported).

B. Environmental

As a business that relies on natural resources, the Group is mindful of its responsibilities to the environment and undertakes appropriate management natural capital.

The Group continues to explore initiatives to mitigate negative environmental externalities and contribute to the conservation of the environment. Water and energy consumption, in particular, are given emphasis, as well as ensuring compliance with environmental regulatory requirements and standards for new construction FY2022: (GLB & GLE) at Batu 9 Cheras, HKLX at Hospital Lumpur Crossover. As far as applicable, the Group strives to ensure the operations outsourced to its sub-contractors do not contravene any of the Group's standards and aspirations.

Water

The Group acknowledges water scarcity as a global concern, further exacerbated by climate change and increasing demand. In line with this, the Group minimises water consumption through constant innovation across all business divisions and interests.

Minetech mainly uses collected rainwater at our sites. Pipes are connected from rainwater storage ponds for washing and cleaning activities within the quarries and construction sites. As a result, both quarries and construction sites consume minimal water.

In FY2022, the manufacturing operating segment consumed approximately 2,574 litres of water (FY2021: 1,895 litres).

Energy – Diesel and Electricity

Our construction, quarry and manufacturing divisions produce greenhouse gases from the use of diesel and electricity. We are cognisant that diesel consumption carries environmental impact. To mitigate this, consumption of electricity and diesel are closely monitored via monthly reporting, machinery use and regular preventive maintenance for our machinery and equipment.

Sustainability Statement (Cont'd)

B. Environmental (Cont'd)

Our calculated carbon emission based on the consumption of diesel and electricity was 434.5 CO2e in FY2022 (FY2021: 971 t CO2e).

Type	Construction	Manufacturing	Total
Diesel volume (litres)	152,880	18,671	171,551
Electricity consumption (kWh)	19,056	64,174	83,230
Carbon emission$_2$ (t CO_2e)	**367.2**	**67.3**	**434.5**

Carbon emissions for construction operations were at the highest when compared to quarry and manufacturing operating segments as the operation of equipment and machinery to perform civil engineering works are energy intensive.

During the year, only diesel and electricity was managed by us within the year. As a result, our construction operation use of diesel and electricity decreased.

Effluents and Waste

Our quarries, construction sites and factory utilise chemicals and diesels. To prevent from any untoward incidents, we manage all discharges and wastes in accordance with the laws and regulations governing the environmental protection. Controls established to handle these materials and wastes include:

Installation of bunker for diesel tank
- act as a protective layer to prevent diesel spillage and absorption by soil
- diesel permit approval obtained from Ministry of Domestic Trade and Consumer Affairs

Designated chemical storage areas
- reduce unauthorised access and prevent chemical spillage

Provisions of trainings
- training was provided to employees on properly handling, storage, use of equipment and machinery for transportation and disposal of hazardous materials

Appointment of qualified sub-contractor
- qualified sub-contractor was appointed for the transportation and disposal of hazardous material.

Used engine oil recycling
- interested party purchased used engine oil from Minetech for recycling purpose.

Sustainability Statement (Cont'd)

B. Environmental (Cont'd)

Environmental Compliance

The Group takes proactive measures across all our operations to control and prevent environmental pollution.

The quarry sites are regulated by the Department of Environment (**"DoE"**) in regards to the Environment Impact Assessment monitoring requirements. A licensed third-party environmental consultant was appointed, KenEp Consultancy & Services for Minetech Bidor Quarry Sdn Bhd to perform periodic environmental monitoring on three (3) key parameters – water quality, ambient air quality and noise levels measurement. These monitoring initiatives are to ensure the three parameters are within the environmental standards required under DoE.

A copy of the report was submitted to DoE on quarterly basis for compliance purposes.

Environmental aspect	Minetech Bidor Quarry	
	DoE Standards	Actual average achievement
Water Quality	Class III of National Water Quality for Malaysia (NWQS)	Complied with standard
Ambient Air Quality	TSP 100µg/m3	Complied with standard
Noise Level	Noise limit of 65 dBA for day time and 56dBA for night time	Complied with standard

We are pleased to highlight there were no incidences of non-compliance with environmental laws and regulations in FY2022 (FY2021: one case). We constantly engage the DoE to ensure that any issues raised are addressed and measures are taken to ensure that these environmental issues are mitigated.

C. Social

High regard is placed in the building and maintaining of meaningful relationships with stakeholders and uplifting of internal and external communities, whether directly or indirectly.

We are committed to achieving sustainable, long-term value creation for our stakeholders by promoting diversity and equality at work, enhancing employees' capabilities, empowering our leaders, and fostering relationships with local communities.

Sustainability Statement (Cont'd)

C. Social (Cont'd)

<u>Workforce Development</u>

Our employees are our most important asset. In recognition of our employees' contributions to the Group's continued success, we implement and adhere to best practices of employment engagement, which include attractive remuneration, competitive compensation and benefits programme, robust training and development programmes, assurance of employees' wellness, and talent retention.

Sustainability Statement (Cont'd)

C. Social (Cont'd)

<u>Workforce Development (Cont'd)</u>

Minetech strongly support open communication between management and employees. All feedback and suggestions are taken into consideration to improve productivity, increase job satisfaction and fulfilment and to create a harmonious working environment.

The Group's Occupational Safety focuses on effective safety management at the workplace and promoting safety ownership within employees. A safety risk assessment is conducted at each quarry, construction site, and factory, to identify potential safety risks as well as to strengthen safety compliance and improve safety performance. Measures are taken to manage job-related risk at each including providing sufficient, adequate and quality personal protective equipment, continuous briefing such as toolbox briefing, establishment of SOP and etc.

On sites where we are sub-contractors, we strictly adopt the safety measure as enforce by the main contractors.

The Group recorded a total of zero days of Lost of Time due to Injury for the FY2022 (FY2021: 3 days) where a minor incident occurred from a worker injury. The Group reviewed all health and safety aspects of the incident, and continuously educate and create awareness for all its workers through safety and toolbox briefings.

Our employees are always made aware of latest developments in occupational health and safety topics vis safety alerts news and practical.

During the various phases of the Movement Control Order (**"MCO"**) for COVID-19, Minetech closely monitored the MITI's SOP and MOH guidelines to provide a safe working environment for our employees. We strictly enforce the SOPs particularly in social distancing and cleanliness of working environment through regular disinfections reminders on strict cleanliness standards.

Disinfections in office

Sustainability Statement (Cont'd)

C. Social (Cont'd)

Training and Development

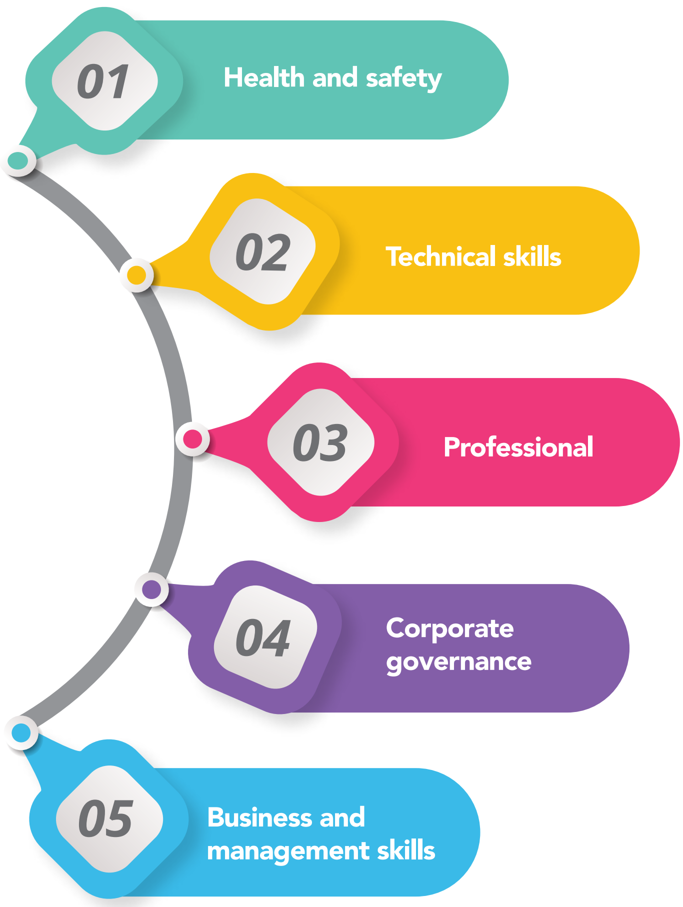
To be resilient and responsive towards emerging challenges and evolving customer demands, Minetech is committed to developing our employees' competencies through various learning and development programmes. A training bond is provided for confirmed employees, if necessary.

Training programs are formulated based on the result of the performance appraisals, with the collaboration of heads of department. This personalisation allows us to align training programs to our business strategy and needs, regulatory requirements and the development of technical, interpersonal, business and management skills of our people. Minetech constantly evaluates our employees' performance based on the key performance index, company core competencies and job-related competencies. These criteria are evaluated via annual performance.

In FY2022, Minetech reported a total of 139 (FY2021: 280) training hours with an average training hours per employee of 1.25 hours (FY2021: 2.9 hours/ employee).

The decline in the total training hours and average training hour per employee was a result of the Covid-19 pandemic and restrictions. We continue our commitment in ensuring our employees upgrade their skills and knowledge through training programmes.

Our training is categorised into:



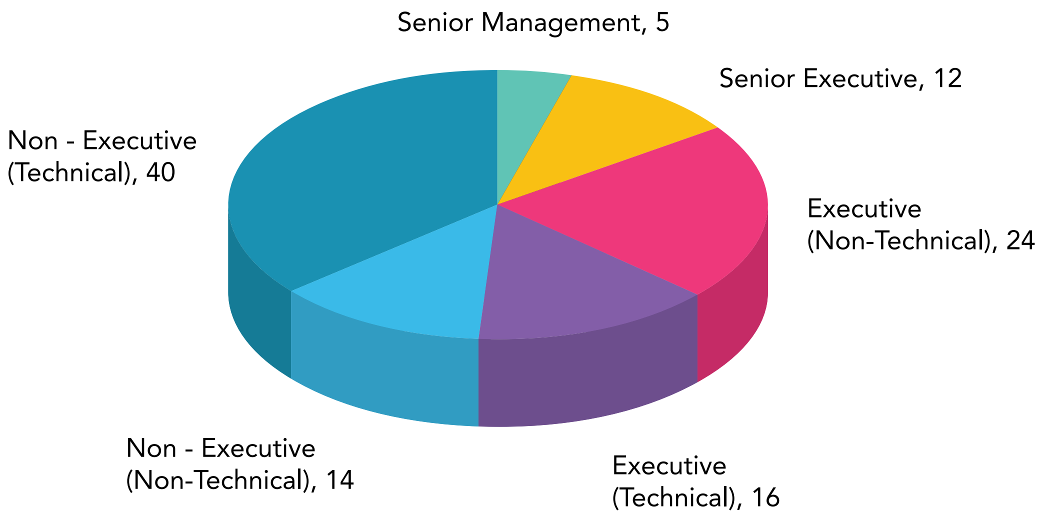
Sustainability Statement (Cont'd)

C. Social (Cont'd)

Diversity and Equal Opportunity

To maximise each talent profile and enrich the Group's performance, Minetech is steadfast in promoting diversity and ensuring equal opportunity. The diverse and inclusive culture is achieved through a no discrimination practice on nationality, race, or gender across all our processes and work practices. In particular, the development and growth of each employee including promotion and remuneration practices are solely based on qualifications, performance and business needs. In FY2022, Minetech recorded a total workforce of 111 (FY2021: 97)

Total Employees By Category For FY2022



We are committed to cultivating gender equality across the Group to ensure a harmonious workplace.

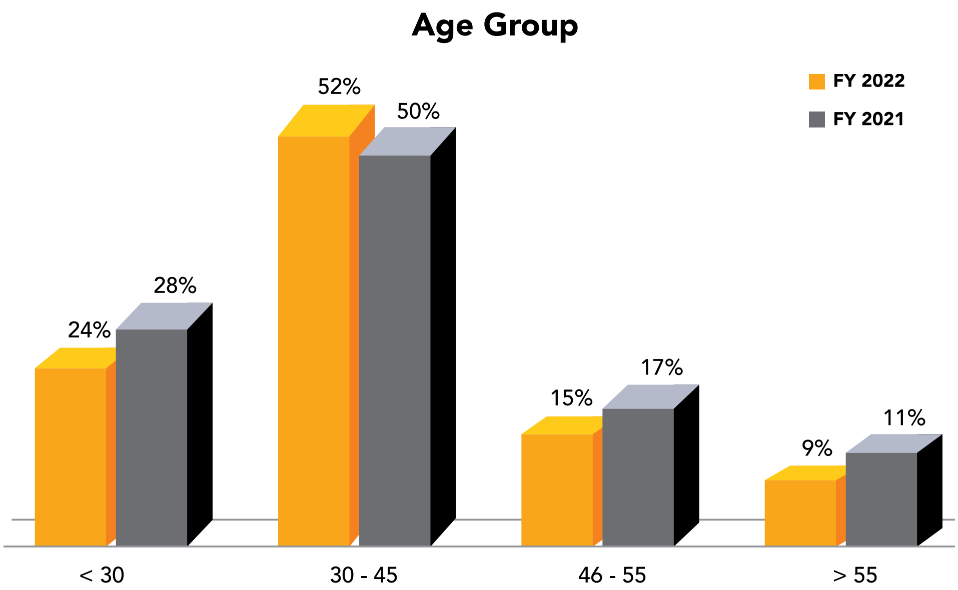
Our employees gender profile constitutes 73%: Men and 27%: Women. Our senior management team was 100% Male in FY2022 (FY2021: 100% male).

Due to the nature of the industry and limited talent availability, attracting female talent remains a challenge across all three business divisions. However, the Group remains committed to ensuring that talent acquisition is made based on candidate's qualifications and suitability.

Sustainability Statement (Cont'd)

C. Social (Cont'd)

Diversity and Equal Opportunity (Cont'd)

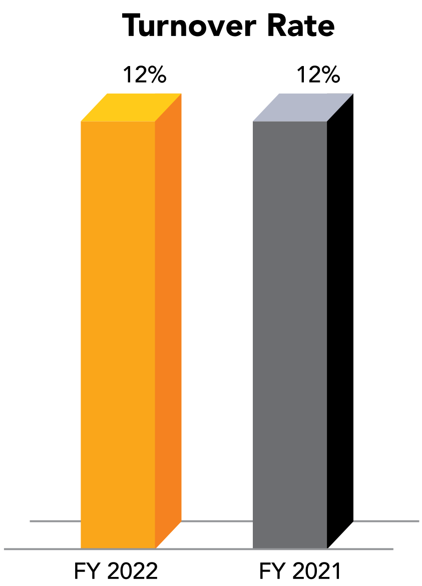


In creating a robust talent pipeline, Minetech ensures a conducive working environment for its multi-generational workforce. As the business ecosystem continues to evolve, the Group strives to remain relevant and agile by attracting and retaining young talents that are able to support other talent profiles within the Group. The mixture of experience and expertise allows for thorough discussions on issues and challenges faced by the Group.

A testament to this is the balanced representation of Gen-Y employees below the age of 35 (42%) with 58% of employees aged 35 and above.

Turnover Rate

In FY2022, the employee turnover remained at 12% (13 employees resigned) similar to FY2021 (11 employees resigned), consisting of the executive level and non-executive level amounting to approximately 85% and 15% of the resigned employee respectively.



(Calculated using number of resigned employee/ end year employee headcount)

Sustainability Statement (Cont'd)

C. Social (Cont'd)

<u>Local Communities</u>

FY2022 remained a challenging year for us with minimal community activities held. Donations and sponsorship were made to religious organisation, orphan and disabled centre and local enforcement bureau during the year with the objectives to support non-profitable organisations and foster better relationship.

Due to the imposition of the various stages of the MCO as well as keeping in line with the advisory by the MOH in response to the pandemic in year 2020 and 2021, our employees are working hard from home during this challenging period. Upon the uplifting of MCO whilst observing the guidelines issued by the Government of Malaysia and MOH and/or other relevant authorities, we organised Ramadhan Dinner and Chinese New Year Dinner for our employees to celebrate a year of hard work and to wish for a lucky and prosperous year ahead.

We believe that a good start to the year will lead to a better year in addition to promoting a closer bond among employees.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

MEMBERS OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

Presently, the Audit and Risk Management Committee (**"ARMC"**) comprises three (3) members, all of whom are independent non-executive directors.

COMPOSITION

The ARMC members are:-

ARMC members	Designation
Encik Ahmad Ruslan Zahari Bin Zakaria *Independent Non-Executive Director*	Chairman
Datin Feridah Binti Bujang Ismail *Independent Non-Executive Director*	Member
Puan Siti Aishah Binti Othman # *Independent Non-Executive Director*	Member
Encik Ahmad Rahizal Bin Dato' Ahmad Rasidi * *Executive Director*	-

 # Appointed as ARMC member on 10 June 2021.
** Ceased as ARMC member on 7 May 2021.*

Encik Ahmad Ruslan Zahari Bin Zakaria and Datin Feridah Binti Bujang Ismail have fulfilled the requirements of Paragraph 15.09(1)(c) of the Main Market Listing Requirements (**"MMLR"**) of Bursa Malaysia Securities Berhad (**"Bursa Securities"**). No alternate director is appointed as ARMC member.

The duties and responsibilities of the ARMC are spelt out in the Terms of Reference of the ARMC, a copy of which is available in the Company's website www.minetech.com.my.

ATTENDANCE OF MEETINGS

A total of six (6) ARMC meetings were held during the financial year ended 31 March 2022. The details of attendance of each ARMC member during the tenure of office of the members are as follows:-

Name	Attendance
Encik Ahmad Ruslan Zahari Bin Zakaria *Independent Non-Executive Director*	5/6 (83%)
Datin Feridah Binti Bujang Ismail *Independent Non-Executive Director*	6/6 (100%)
Puan Siti Aishah Binti Othman # *Independent Non-Executive Director*	4/4 (100%)
Encik Ahmad Rahizal Bin Dato' Ahmad Rasidi * *Executive Director*	1/1 (100%)

 # Appointed as ARMC member on 10 June 2021.

** Ceased as ARMC member on 7 May 2021.*

Audit and Risk Management Committee Report (Cont'd)

SUMMARY OF ACTIVITIES

The activities undertaken by the ARMC during the financial year ended 31 March 2022 in discharging of its duties and responsibilities include:-

Financial Reporting

(a) Reviewed the unaudited quarterly financial results and annual audited financial statements including the announcements pertaining thereto before recommending to the Board of Directors for approval for release to Bursa Securities and Securities Commission Malaysia. The review focused primarily on:

- major judgemental areas, significant and unusual events;
- significant adjustments resulting from audit;
- the going concern assumptions;
- compliance with the Malaysian Financial Reporting Standards and other applicable approved accounting standards in Malaysia; and
- compliance with Paragraph 9.22 and Appendix 9B of the MMLR of Bursa Securities and other regulatory requirements.

External Audit

(a) Reviewed the external auditor's reports in relation to audit and accounting issues arising from the audit and the management's response.
(b) Reviewed and discussed with external auditors regarding the audit planning memorandum, audit review memorandum and issues arising from the statutory audit of the Group.
(c) Met with the external auditors, Messrs. Al Jafree Salihin Kuzaimi PLT on 21 May 2021 and 2 August 2021 without the presence of Executive Directors and Management of the Group to ensure there were no restrictions on the scope of their audit and to discuss any items that the external auditors did not wish to raise in the presence of Management.
(d) Evaluated the independence and effectiveness of the external auditors.

Related Party Transactions

(a) Reviewed and monitored compliance of related party transactions with the MMLR of Bursa Securities and conflict of interest situation that may arise within the Group.
(b) Review the Circular to Shareholders in relation to Proposed Renewal of Shareholders' Mandate for existing Recurrent Related Party Transactions (**"RRPTs"**) of a Revenue or Trading Nature and Proposed New Shareholders' Mandate for RRPTs of a Revenue or Trading Nature prior to the recommendation to the Board of Directors for approval.
(c) Review the RRPT on Tenancy Agreements and Renewal of Tenancy Agreements prior to the recommendation to the Board of Directors for approval.

Risk Management and Internal Control

(a) Assessed the overall effectiveness of the risk management and internal control system of the Group on an ongoing basis.
(b) Reviewed the Statement on Risk Management and Internal Control prior to the recommendation to the Board of Directors for approval for inclusion in the 2021 Annual Report.

Audit and Risk Management Committee Report (Cont'd)

SUMMARY OF ACTIVITIES (CONT'D)

Internal Audit

(a) Reviewed and approved the annual internal audit plan to ensure adequate scope and comprehensive coverage of the Group's activities.
(b) Reviewed and discussed with the internal auditors regarding the internal audit process, internal audit findings and issues arising from the internal audit report of the following:

(i) Minetech Bidor Quarry Sdn Bhd – Quarry Operation
(ii) Minetech Asphalt Man International Sdn Bhd – Follow-Up Review on Plant Operation
(iii) Uniqa (M) Sdn Bhd – Revenue and Product Management
(iv) Minetech Bidor Quarry Sdn Bhd – Follow-Up Review on Quarry Operation

(c) Monitored the implementation of mitigating actions by Management on outstanding issues to ensure all key risks and control weaknesses are properly addressed.
(d) Met with the Internal Auditors on 21 May 2021 and 16 February 2022 without the presence of Executive Directors and Management of the Group for discussions on internal audit related matters.
(e) Reviewed and evaluated the adequacy of the scope, functions, competency and resources of the internal audit functions.

Others

(a) Reviewed the revised Terms of Reference of ARMC, Terms of Reference of Risk Management Steering Committee and External Auditors Assessment Policy prior to the recommendation to the Board of Directors for adoption.
(b) Reviewed the Corporate Governance Report, Corporate Governance Overview Statement, Management Discussion and Analysis and ARMC Report prior to the recommendation to the Board of Directors for approval for inclusion in the 2021 Annual Report.
(c) Reviewed the Statement to Shareholders on the Proposed Renewal of Authority for the Company to Purchase its own Ordinary Shares prior to the recommendation to the Board of Directors for approval.

INTERNAL AUDIT FUNCTION

Details on the internal audit function are set out in the Statement on Risk Management and Internal Control of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (**"the Board"**) of Minetech Resources Berhad (**"the Company"**) is pleased to present its statement on corporate governance (**"CG"**) practices of the Company during the financial year ended 31 March 2022. The Board in leading the Company in its CG practices is guided by the principles as set out in the Malaysian Code on Corporate Governance 2021 (**"MCCG"**).

This statement is prepared in compliance with Paragraph 15.25(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (**"Bursa Securities"**) (**"MMLR"**) and guided by Practice Note 9 of the MMLR and the CG Guide (3rd edition) issued by Bursa Malaysia Berhad. This CG Overview Statement should also be read together with the CG Report 2022 of the Company (**"CG Report"**) which is available on the Company's website: www.minetech.com.my as well as via an announcement on the website of Bursa Securities and in conjunction with the other statements in the Annual Report (e.g. Statement on Risk Management and Internal Control, Audit and Risk Management Committee Report, and Sustainability Statement) as the application of certain governance enumerations may be more evidently expressed in the context of the respective statements.

The CG Report provides the details on how the Company has applied each Practice as set out in the MCCG during the financial year ended 31 March 2022.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

i. Board Responsibilities

The Group is headed by an experienced and effective Board. The Board assumes overall responsibility in leading the strategic direction, future expansion, CG, risk management, human resource planning and development, investments made by the Company and overseeing the proper conduct of business of the Group. Dato' (Dr). Ts. Awang Daud Bin Awang Putera, the Executive Chairman is responsible in overseeing the Board in the effective discharge of its supervisory role emphasising on governance and compliance. The positions of the Chairman and Chief Executive Officer are held by different individuals. The Board Charter has clear division of responsibilities to ensure there is a balance of power and authority in the Company. The segregation of roles also facilitates a healthy open, exchange of views between the Board and Management in their deliberation of the business, strategic aims and key activities of the Company. Effective from 9 October 2020, the roles of a Chief Executive Officer have been assumed by the Executive Directors of the Company.

In discharging its duties, the Board delegates certain of its responsibilities to the following Board Committees which operate within its clearly defined Terms of Reference respectively:-

- Audit and Risk Management Committee (**"ARMC"**)
- Nomination and Remuneration Committee (**"NRC"**)
- Investment Committee (**"IC"**)

The Chairman of the respective Board Committees report to the Board on key matters deliberated at the respective Board Committee meetings and makes recommendations to the Board for final decision, where necessary.

Corporate Governance Overview Statement (Cont'd)

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

ii. Board and Board Committees Meetings

The breakdown of the Directors' attendance at the Board and Board Committees meetings during the financial year under review is set out below:-

Name	Board	NRC	ARMC	IC
Dato' (Dr). Ts. Awang Daud Bin Awang Putera *Executive Chairman*	6/6	-	-	1/1
Choy Sen @ Chin Kim Sang *Executive Director*	6/6	-	-	-
Chin Leong Choy *Executive Director*	6/6	-	-	1/1
Awgku Mohd Reza Farzak Bin Awg Daud *Executive Director*	6/6	-	-	1/1
Azlan Shah Bin Zainal Arif *Executive Director*	6/6	-	-	1/1
[1*]**Ahmad Rahizal Bin Dato' Ahmad Rasidi** *Executive Director*	6/6	-	1/1	1/1
[2*]**Loke Kim Meng** *Non-Independent Non-Executive Director*	1/1	-	-	-
[3*]**Ahmad Ruslan Zahari Bin Zakaria** *Independent Non-Executive Director*	6/6	1/1	5/6	-
Datin Feridah Binti Bujang Ismail *Independent Non-Executive Director*	6/6	1/1	6/6	-
[4*]**Siti Aishah Binti Othman** *Independent Non-Executive Director*	6/6	1/1	4/4	-
[5*]**Abdul Farid Bin Abdul Kadir** *Non-Independent Non-Executive Director*	1/6	-	-	-

Remark:-

[1*] Re-designated as Non-Independent Non-Executive Director on 24 February 2021. Subsequent thereto, he was redesignated as Executive Director and ceased as a member of the NRC and ARMC on 7 May 2021.
[2*] Appointed to the Board of Directors on 28 January 2022.
[3*] Appointed as NRC member on 10 June 2021.
[4*] Appointed as ARMC member on 10 June 2021.
[5*] Removed as Director on 28 June 2021.

Corporate Governance Overview Statement (Cont'd)

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

ii. Board and Board Committees Meetings (Cont'd)

Board Charter

The Board Charter delineates the powers, duties and responsibilities of the Board, Board Committees and individual Directors, including the following matters that are solely reserved for the Board's decision:-

- Conflict of interest issues relating to a substantial shareholder or a Director including approving related party transactions;
- Material acquisitions and disposition of assets not in the ordinary course of business including significant capital expenditures;
- Strategic investments, mergers and acquisitions and corporate exercises;
- Limits of authority;
- Treasury policies including Company's budget;
- Risk management policies; and
- Key human resource issues.

The Board Charter further defines the respective roles of the Chairman of the Board, the Chief Executive Officer and Independent Director. It serves as a primary induction literature that guides newly appointed and existing Board members on their duties and functions of the Board and its Committees.

A copy of the Board Charter can be found in the Company's website at www.minetech.com.my and is annually reviewed to ensure it complies with legislations, regulations and practices, and remain effective and relevant to the Board's objectives and responsibilities. The Board Charter, Terms of Reference of the Board Committees, Anti-Bribery Management System Policy, Code of Ethics and Conduct, Conflict of Interest Policy, Diversity Policy, Succession Planning Policy, Directors and Senior Management's Remuneration Policy and Whistleblower Policy were reviewed annually by the Board to be in line with the CG practices set out in the MCCG.

The Board is supported by qualified and competent Company Secretaries. The Company Secretaries are the member of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA) and has the requisite experience to provide unhindered advice to the Board to ensure its effective functioning and compliance with regulatory requirements. The Board has unrestricted access to the advice and services of the Company Secretaries on the conduct of Board's affairs and business. The roles and responsibilities of the Company Secretaries including the following:-

- Advising the Board on its roles and responsibilities;
- Advising the Board on the matters in relation to CG and the MMLR;
- Update the Board on the developments of corporate and securities law, MMLR, Company's Constitution, Board's policies and procedures;
- Ensure the Board procedures and applicable rules are observed;
- Preparing comprehensive minutes to document Board proceedings and ensuring conclusions are accurately recorded; and
- Serve as focal points for stakeholders' communication and engagement on CG issues.

The Board recognises that decision-making process is highly dependent on the quality of information furnished. In furtherance to this, every Director has:-

- Full and unrestricted access to timely, accurate and complete information within the Company;
- Authority to have all meeting materials are prepared and issued to the Board of Directors and Board Committee members within reasonable period before respective meetings to enable them to contribute constructively;
- Direct and unrestricted communication channels with employees, Senior Management personnel and relevant external parties; and
- Authority to obtain independent professional or other advice at the Company's expense, subject to the approval of the Chief Executive Officer or in the Chief Executive Officer's absence, as prescribed in the Limits of Authority.

Corporate Governance Overview Statement (Cont'd)

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

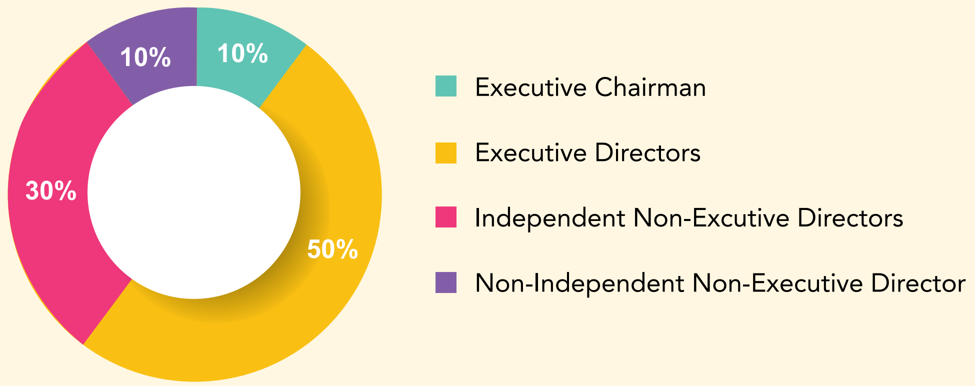
ii. Board and Board Committees Meetings (Cont'd)

Board Composition

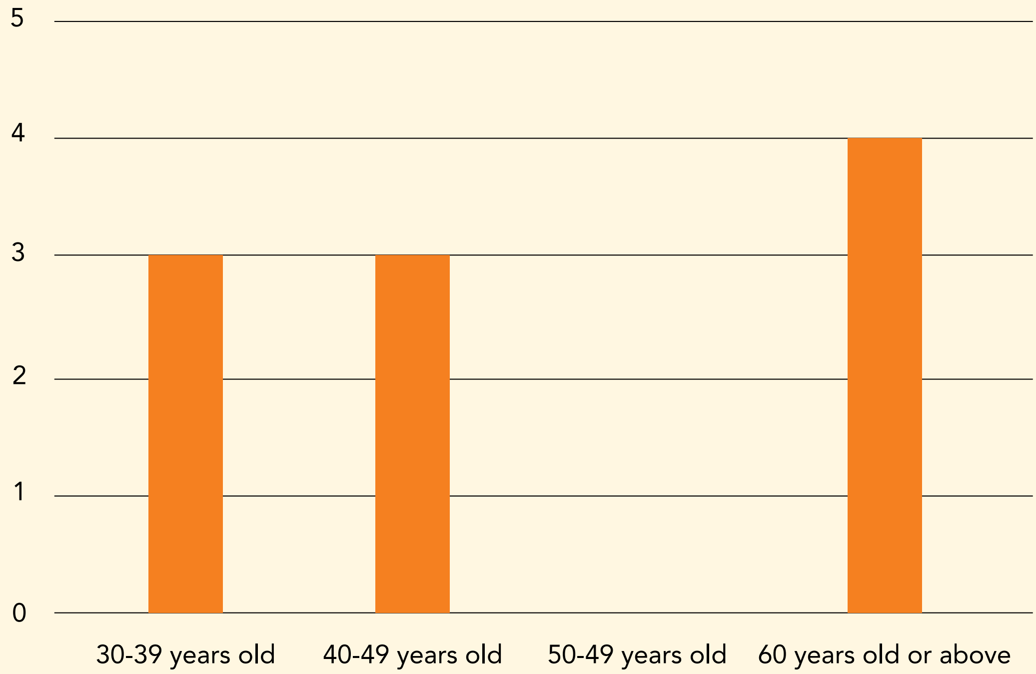
The Board is well balanced, comprising experienced businessmen and qualified professionals of diverse age and ethnicity. The Directors collectively bring with them diverse knowledge, skill, extensive experience and expertise in areas such as leadership, strategic planning, corporate governance, risk management and internal controls, government and policy, business management, and entrepreneurial which enables them to discharge their duties and responsibilities effectively, objectively and independently.

As at 31 March 2022, the Board has ten (10) members, comprising one (1) Executive Chairman, five (5) Executive Directors, one (1) Non-Independent Non-Executive Director and three (3) Independent Non-Executive Directors. The profile of each Director can be found on pages 4 to 13 of this Annual Report.

BOARD COMPOSITION



Age Group



Corporate Governance Overview Statement (Cont'd)

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

ii. Board and Board Committees Meetings (Cont'd)

Board Composition (Cont'd)

The present Board composition complies with Paragraph 15.02 of the MMLR which requires at least two (2) or one-third (1/3) of the Board of the Company, whichever is higher, are Independent Directors. The Board is satisfied with the current composition of Directors where all Independent Directors of the Company are always within reach of the shareholders and issues are discussed openly at meetings, thus shareholders may approach any of the Independent Directors of the Company. In view thereof, the Board did not nominate a Senior Independent Non-Executive Director at this juncture. As at 31 March 2022, all Independent Directors have not attained cumulative nine (9) years of service. The Board will justify and seek shareholders' approval in the event the Company retains an Independent Director who has served in that capacity for a cumulative period of more than nine (9) years.

iii. NRC

During the financial year under review, the NRC comprised exclusively of Non-Executive Directors, the composition is as follows:-

Name	Designation
Puan Siti Aishah Binti Othman *Independent Non-Executive Director*	Chairperson
Datin Feridah Binti Bujang Ismail *Independent Non-Executive Director*	Member
[1*]**Encik Ahmad Ruslan Zahari Bin Zakaria** *Independent Non-Executive Director*	Member
[2*]**Encik Ahmad Rahizal Bin Dato' Ahmad Rasidi** *Executive Director*	-

[1*]appointed as NRC member on 10 June 2021.

[2*]ceased as NRC member on 7 May 2021.

During the financial year under review, the activities undertaken by the NRC include:

(a) Assessed and was satisfied with the effectiveness of the Board as a whole and the Board committees and the contribution of each Director.

(b) Reviewed and was satisfied with the mix of skills, knowledge, expertise and experience, composition and size of the Board in terms of gender, ethnicity and age.

(c) Assessed the independence of Independent Directors and concluded that the Independent Directors are independent and have complied with the criteria of independence as set out in MMLR.

(d) Assessed and was satisfied with the character, experience, integrity, competence and time commitment of Directors.

(e) Reviewed the term of office and performance of the ARMC and each ARMC member.

(f) Discussed on the training programmes for the Directors to enhance their skills and knowledge.

Corporate Governance Overview Statement (Cont'd)

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

iii. NRC (Cont'd)

(g) Evaluated the performance of the following Directors and recommended their re-election at the Nineteenth Annual General Meeting (**"AGM"**) of the Company to the Board:-

- Encik Ahmad Ruslan Zahari Bin Zakaria
- Encik Ahmad Rahizal Bin Dato' Ahmad Rasidi
- Mr Chin Leong Choy

(h) Reviewed and recommended the following for Board's approval:-

- revised Terms of Reference of the NRC
- Succession Planning Policy
- Directors' and Senior Management's Remuneration Policy

(i) Reviewed and recommended Encik Ahmad Ruslan Zahari Bin Zakaria as a member of NRC and Puan Siti Aishah Binti Othman as a member of ARMC.

(j) Recommended the re-designation of Encik Ahmad Rahizal Bin Dato' Ahmad Rasidi to Executive Director for Board's approval.

(k) Reviewed and recommended the remuneration package and the revised allowance payable to Encik Ahmad Rahizal Bin Dato' Ahmad Rasidi following his redesignation to Executive Director of the Company.

(l) Reviewed and recommended the bonus payable to Encik Mohd Dzulfadhly Bin Rozelan as the Chief Financial Officer of the Company.

(m) Identified, reviewed and recommended the appointment of Loke Kim Meng as the Non-Independent Non-Executive Director of the Company for Board's approval.

(n) Reviewed and recommended Directors' fees and benefits payable from AGM in 2021 until the next AGM in 2022 and remuneration package of Executive Directors and Senior Management for Board's approval.

(o) Discussed and reviewed the respective roles, job descriptions and key performance indicators of Executive Directors for Board's approval.

The NRC will identify and recommend candidates to the Board if there is any vacancy arising from resignation, retirement or any other reasons or if there is a need to appoint additional Director with the required criteria based on recommendation from existing Directors, Senior Management or major shareholders. The NRC is authorised by the Board to use independent search firms in identifying suitable candidates for appointment of directors when the need arises. Talent management and succession planning have been enhanced to attract, retain and develop required talent to ensure that the Group has a ready supply of talent to meet its current and future needs. Where appropriate, the NRC will consider engaging the independent consultancy services to conduct searches for potential candidates.

The Company also endeavours to have a balanced representation by taking into consideration a range of different skills, age, gender, ethnicity, backgrounds and experiences represented amongst its Directors, officers and staff as the Board is aware that it is important in ensuring robust decision-making processes with diversified viewpoints and effective governance of the Company. The Diversity Policy of the Company outlines its approaches to achieving and maintaining diversity (including gender diversity) in its Board and Senior Management positions. A copy of the Diversity Policy can be found in the Company's website at www.minetech.com.my.

Based on the following summary of the employment gender diversity, the NRC is of the view that there is balanced gender diversity at Executive and Managerial levels of employees in the Company for the financial year ended 31 March 2022:-

Corporate Governance Overview Statement (Cont'd)

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

iii. NRC (Cont'd)

CATEGORY OF EMPLOYEES	FEMALE	MALE	TOTAL
Non-executive	10	44	54
Manager/Executive	18	22	40
Senior Management	2	15	17
Total No. of Employees	**30**	**81**	**111**

The NRC will review the suitability of candidates based on skills, knowledge, character, integrity, expertise and experience, competency, commitment (including time commitment) and where appropriate, the independence of candidates for appointment as Independent Directors. The assessment of the Independent Directors is in accordance with the criteria as set out in the Board Charter and MMLR.

The Board and Board Committees evaluation process are led by the NRC Chairman who is an Independent Director and supported by the Company Secretaries. The evaluation process is conducted via questionnaires to review the effectiveness of the Board and its Committees and based on self-review and peer assessment. The NRC reviews the outcome of the assessment and report to the Board, in particular, areas for improvement and also used as the basis of recommending relevant Directors for re-election at the AGM.

The Board, via NRC continues to identify for the Directors to attend appropriate briefings, seminars, conferences and courses to keep abreast with the changes in legislations and regulations affecting the Group.

iv. IC

The establishment of IC is to assist the Board in assessment of business opportunities and strategic investments. During the financial year under review, the composition of the IC is as follows:-

Name	Designation
Dato' (Dr). Ts. Awang Daud Bin Awang Putera *Executive Chairman*	Chairman
Mr Chin Leong Choy *Executive Director*	Member
Encik Awgku Mohd Reza Farzak Bin Awg Daud *Executive Director*	Member
Encik Azlan Shah Bin Zainal Arif *Executive Director*	Member
Encik Ahmad Rahizal Bin Dato' Ahmad Rasidi *Executive Director*	Member
[1]***Encik Abdul Farid Bin Abdul Kadir** *Non-Independent Non-Executive Director*	-

[1]*ceased as member of IC on 28 June 2021

Corporate Governance Overview Statement (Cont'd)

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

iv. IC (Cont'd)

During the financial year under review, the activities undertaken by the IC include:-

(a) Reviewed and approved business proposal for a project that involves importing and trading of processed food in Malaysia from a South Korean food manufacturer, namely Samyang Food Co Ltd.

(b) Reviewed and recommended the Terms of Reference of IC for Board's approval.

v. Directors' Trainings

As at 31 March 2022, all Directors have completed the Mandatory Accreditation Programme save for Mr Loke Kim Meng who was appointed to the Board on 28 January 2022. The Directors are mindful that they need to continue to enhance their skill and knowledge to keep abreast of relevant changes in regulations and development in the industry and maximise their effectiveness as Directors during their tenure. Throughout the period in office, the Directors are continually updated on the Group's business and regulatory requirements. The Company Secretaries also briefed and highlighted the relevant guidelines or developments on statutory and regulatory requirements from time to time to the Board. The External Auditors also briefed the Board on any current and future changes to the Malaysian Financial Reporting Standards that affect the Group's financial statements.

The Directors have attended the following professional development programmes and seminars for the financial year ended 31 March 2022:-

Director	Programme
Dato' (Dr). Ts. Awang Daud Bin Awang Putera	1. Corporate Directors Summit 2021 Governance 4.0 2. 17A MACC Act Talk
Choy Sen @ Chin Kim Sang	1. Corporate Directors Summit 2021 Governance 4.0 2. 17A MACC Act Talk
Chin Leong Choy	1. 17A MACC Act Talk
Awgku Mohd Reza Farzak Bin Awg Daud	1. 17A MACC Act Talk
Azlan Shah Bin Zainal Arif	1. Corporate Directors Summit 2021 Governance 4.0 2. 17A MACC Act Talk
Ahmad Rahizal Bin Dato' Ahmad Rasidi	1. Corporate Directors Summit 2021 Governance 4.0 2. 17A MACC Act Talk
Loke Kim Meng*	-
Ahmad Ruslan Zahari Bin Zakaria	1. Corporate Directors Summit 2021 Governance 4.0 2. Bursa Malaysia Climate Change Thematic Workshop: Practical Steps in Measuring & Managing Greenhouse Gas (GHG) Emissions (Scope 1, 2 & 3) 3. 17A MACC Act Talk 4. TCFD 102: Building experience in climate-related financial reporting
Datin Feridah Binti Bujang Ismail	1. Corporate Directors Summit 2021 Governance 4.0 2. 17A MACC Act Talk
Siti Aishah Binti Othman	1. 17A MACC Act Talk

* appointed to the Board on 28 January 2022.

Corporate Governance Overview Statement (Cont'd)

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

vi. Re-election of Directors

In accordance with the Company's Constitution, an election of Directors shall take place each year at an AGM and one-third (1/3) of the Directors are subject to retirement by rotation, in any event, each Director shall retire from office once in every three (3) years. The Directors to retire in each year are the Directors who have been longest in office since their last appointment or re-election. The Directors appointed by the Board during the financial year are subject to retirement at the next AGM held following their appointments in accordance with the Company's Constitution. All retiring Directors are eligible for re-election. The re-election of each Director is voted on separate resolution during the AGM of the Company.

vii. Code of Ethics and Conduct, Whistleblower Policy, Conflict of Interest Policy and Anti-Bribery Management System Policy

The Board has put in place Code of Ethics and Conduct, Whistleblower Policy, Conflict of Interest Policy and Anti-Bribery Management System Policy to promote an environment of integrity and ethical behaviour within the Group.

The basic principles of Code of Ethics and Conduct have been observed and carried out by having appropriate regards to the interests of the Company's customers, shareholders, people, business partners and broader community in which the Company operates.

The Whistleblower Policy serves as a guide to employees on how to raise genuine concerns related to possible improprieties on matters relating to financial reporting, compliance and other malpractices at the earliest opportunity and in an appropriate manner. The Board has adopted the policy with the aim that any employee or stakeholder can report and disclose through established channels any improper or unethical activities relating to the Company and its Group.

The Conflict of Interest Policy ensures that actual, potential and perceived conflicts of interest are identified and managed effectively. It is intended to provide guidance on how to deal with conflict of interest situations as they arise. Proper identification and management of conflicts of interest ensures that business decisions are made in the best interests of the Company and the Company is protected from any consequent damage to its activities and reputation.

The Anti-Bribery Management System Policy serves as a mechanism to ensure a sustainable anti-bribery and anti-corruption programme be implemented in the Company whereby adequate resources would be in place for the implementation of the same.

The Code of Ethics and Conduct, Whistleblower Policy, Conflict of Interest Policy and the Anti-Bribery Management System Policy can be found on the Company's website at www.minetech.com.my.

viii. Remuneration

The NRC established sets of policy, framework and reviews the remuneration of the Directors and Senior Management which is linked to strategy and/or performance or long-term objectives of the Company to ensure that the Company is able to attract and retain capable Directors and Senior Management to run the Group successfully. The Executive Directors' remuneration is structured to link rewards to corporate and individual performance. In the case of Non-Executive directors, the level of remuneration reflects the experience and level of responsibilities undertaken.

In determining the remuneration of the Directors and Senior Management, the Company's objective is to provide fair and competitive remuneration to its Board and/or Senior Management in order for the Company to benefit by attracting and retaining a high-quality team. The NRC is authorised by the Board to seek appropriate professional advice within and outside the Group as and when it considers necessary.

Corporate Governance Overview Statement (Cont'd)

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

viii. Remuneration (Cont'd)

The annual salaries, incentive arrangements, service arrangements and other employment conditions for the Executive Directors and/or Senior Management are reviewed by the NRC and recommended to the Board for approval and where necessary, subject to shareholders' approval. Senior Management who reports directly to the Executive Directors are evaluated annually premised on annual measurements and targets set. Thereafter, the Executive Directors approve the remuneration of Senior Management based on their performance. The Directors and Senior Management Remuneration Policy is available for reference on the Company's website at www.minetech.com.my.

The determination of the remuneration for Non-Executive Directors is a matter for the Board as a whole. The Executive Directors are not present when matters affecting their own remuneration arrangements are considered.

Details of the remuneration of Directors (both the Company and the Group) who served during the financial year ended 31 March 2022 are as follows:

The Group

Name	Fees	Meeting Allowance	Salaries	Bonus	Other emoluments
	RM'000	RM'000	RM'000	RM'000	RM'000
Dato' (Dr). Ts. Awang Daud Bin Awang Putera	-	21.5	1,560	260	240
Choy Sen @ Chin Kim Sang	-	8.6	780	130	162
Chin Leong Choy	-	8.6	540	90	162
Awgku Mohd Reza Farzak Bin Awg Daud	-	8.6	540	90	162
Azlan Shah Bin Zainal Arif	-	8.6	540	90	162
[1*] Ahmad Rahizal Bin Dato' Ahmad Rasidi	3.75	9.6	216	-	53
[2*] Loke Kim Meng	7.8	1.3	-	-	-
[3*] Ahmad Ruslan Zahari Bin Zakaria	69.0	22.8	-	-	10.0
Datin Feridah Binti Bujang Ismail	41.4	17.2	-	-	6.0
[4*] Siti Aishah Binti Othman	41.4	14.7	-	-	6.0
[5*] Abdul Farid Bin Abdul Kadir	8.8	1.0	-	-	-

Corporate Governance Overview Statement (Cont'd)

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

viii. Remuneration (Cont'd)

The Company

Name	Fees RM'000	Meeting Allowance RM'000	Salaries RM'000	Bonus RM'000	Other emoluments RM'000
Dato' (Dr). Ts. Awang Daud Bin Awang Putera	-	21.5	1,560	260	240
Choy Sen @ Chin Kim Sang	-	8.6	780	130	162
Chin Leong Choy	-	8.6	540	90	162
Awgku Mohd Reza Farzak Bin Awg Daud	-	8.6	540	90	162
Azlan Shah Bin Zainal Arif	-	8.6	540	90	162
[1*] Ahmad Rahizal Bin Dato' Ahmad Rasidi	3.75	9.6	216	-	53
[2*] Loke Kim Meng	7.8	1.3	-	-	-
[3*] Ahmad Ruslan Zahari Bin Zakaria	69.0	22.8	-	-	10.0
Datin Feridah Binti Bujang Ismail	41.4	17.2	-	-	6.0
[4*] Siti Aishah Binti Othman	41.4	14.7	-	-	6.0
[5*] Abdul Farid Bin Abdul Kadir	8.8	1.0	-	-	-

Remark:-
[1] redesignated as Executive Director and ceased to be a member of the NRC and ARMC on 7 May 2021.*
[2] appointed to the Board on 28 January 2022.*
[3] appointed as NRC member on 10 June 2021.*
[4] appointed as ARMC member on 10 June 2021.*
[5] removed as Director on 28 June 2021.*

In determining the remuneration packages of the Group's Senior Management, factors that were taken into consideration included individual responsibilities, skills, expertise and contributions to the Group's performance and whether the remuneration package is competitive and sufficient to ensure that the Group is able to attract and retain executive talents. The Board is of the opinion that the disclosure of Senior Management's remuneration would not be in the best interest of the Group as it would affect the Group's efforts in talent retention and management within the competitive industry as well as for confidentiality reason.

PRINCIPAL B: EFFECTIVE AUDIT AND RISK MANAGEMENT

i. ARMC

During the financial year under review, the ARMC comprises exclusively the Independent Non-Executive Directors of the Company. The composition of the ARMC complies with the MMLR. The Chairman of the ARMC is not the Chairman of the Board can ensure the objectivity of the Board's review of the ARMC findings and recommendations remain intact. The ARMC assesses the performance (including independence) and recommends to the Board annually the appointment or re-appointment of the external auditors guided by the factors as prescribed under Paragraph 15.21 of the MMLR.

The members of ARMC are equipped with vast experience from various industries and are capable of providing sound advice to the Board not only in terms of financial reporting but also on internal audit of the Group's risk management and internal control environment.

Corporate Governance Overview Statement (Cont'd)

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

i. ARMC (Cont'd)

The ARMC's Term of Reference sets out its goals, objectives, duties, responsibilities and criteria on the composition of ARMC which includes a former key audit partner of the Group to observe a cooling-off period of at least 2 years before being able to be appointed as member of ARMC.

The NRC reviews the composition of the ARMC annually and recommends to the Board for approval ensuring that only Non-Executive Directors, majority of whom shall be Independent Directors, who are financially literate and are able to understand matters under the purview of the ARMC including financial reporting process are considered for membership in ARMC. All members of the ARMC undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

The external auditors would meet the ARMC without the presence of the executive Board members and Management at least two (2) times a year on matters relating to the Group and its audit activities. During such meetings, the external auditors highlight and discuss the nature and scope of the audit, audit programme, internal controls and any other issues that may require the attention of the ARMC or the Board.

The ARMC ensures the external audit function is independent and reviews the contracts for the provision of non-audit services by the external auditors in order to ensure that no occurrence of conflict of interest situation. The external auditors have provided their written assurance to the Group in respect of their independence for the financial year ended 31 March 2022. The external auditors are invited to attend the AGM to answer questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies and auditor independence.

For the financial year ended 31 March 2022, fees paid to the external auditors, Messrs. Al Jafree Salihin Kuzaimi PLT and its affiliated firms by the Company and the Group are stated in the table below:-

Nature of Services	Company (RM)	Group (RM)
Audit	55,000	185,000
Non-Audit	5,000	5,000
Total	**60,000**	**190,000**

Further details on the activities of the ARMC during the financial year ended 31 March 2022 are disclosed in the ARMC Report on page 52 to 54 of this Annual Report.

ii. Risk Management and Internal Control Framework

The Board acknowledges the significance of a sound system of risk management and internal control to manage the overall risk exposure of the Group. The Board has established a governance structure to ensure effective oversight of risks and controls in the Group. The effectiveness of risk management and internal controls is continuously reviewed to ensure that they are working adequately and effectively.

The Group has outsourced its internal audit function to BDO Governance Advisory Sdn Bhd, who reports directly to the ARMC. The resources and scope of work covered by the internal audit function during the financial year under review, including its observation and recommendations, is provided in the ARMC Report of this Annual Report. A team of 7 staffs who provide audit service to the Group is currently headed by Mr Karthigayan Supramaniam who is a member of the Malaysian Institute of Accountants.

Corporate Governance Overview Statement (Cont'd)

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

ii. Risk Management and Internal Control Framework (Cont'd)

The ARMC has also received assurance from the outsourced Internal Auditors that the internal audit services are free from any relationships or conflicts of interest which could impair their objectivity and independence. The outsourced Internal Auditors was also given the opportunity to meet with the ARMC without the presence of the Executive Directors and Management.

The ARMC also reviewed the identified risk, recommendations of internal auditors and Management responses which then discussed on mitigation initiatives and report to the Board accordingly. Details of the internal audit function together with the scope of the Group's internal control functions are set out in the Statement on Risk Management and Internal Control and ARMC Report of this Annual Report.

The Board affirms its overall responsibility with established and clear functional responsibilities and accountabilities which are carried out and monitored by the ARMC. The adequacy and effectiveness of the internal controls and risk management framework were reviewed by the ARMC.

Further information may be found in the Statement of Risk Management and Internal Control on pages 69 to 71 of this Annual Report.

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

i. Communication with Stakeholders

Ongoing engagement and communication with stakeholders are vital in fostering a healthy relationship between the Company and its stakeholders. In recognising this, the Board has formalised a corporate disclosure policies and procedures to enable comprehensive, accurate and timely disclosures relating to the Group to the regulators, shareholders and stakeholders; not only to comply with the disclosure requirements as stipulated in the MMLR, but also setting out the persons authorised and responsible to approve and disclose material information to shareholders and stakeholders in compliance with the MMLR.

The Board has established a dedicated section for corporate information on the Company's website at www.minetech.com.my where information on the Company's announcements, financial information, share prices and the Company's annual report may be accessed. It also contains all announcements made to Bursa Securities as well as the contact details of designated person to address any queries.

It has always been the Group's practice to maintain good relationship with its shareholders. Major corporate developments and happenings in the Group have always been duly and promptly announced to all shareholders, which aligned with Bursa Securities' objectives of ensuring transparency and good CG practices.

The Group's financial performance, major corporate developments and other relevant information are promptly disseminated to shareholders and investors via announcements of its quarterly results, annual report, corporate announcements to Bursa Securities and press conferences. Further update of the Group's activities and operations are also disseminated to shareholders and interested investors.

Corporate Governance Overview Statement (Cont'd)

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

ii. Conduct of General Meetings

The Board is aware that the AGM is the primary platform for two-way communication between the shareholders and Management of the Group. Hence, shareholders are encouraged to participate in the meeting and are given opportunity to enquire and comment on the Group's performance and operations and the Board to clarify issues pertaining to the Group's business activities, performance and other related matters. All the Directors attended the Nineteenth AGM of the Company held on 28 September 2021.

The notice of Nineteenth AGM was circulated at least twenty-eight (28) days before the date of the meeting which is in line with the recommendation of MCCG to enable shareholders to go through the Annual Report and papers supporting the resolutions proposed. In addition to being sending emails and despatched individually to shareholders, the notice of AGM is also circulated in a nationally circulated newspaper alongside an announcement on the website of Bursa Securities. This allows shareholders to have immediate access on the notice of AGM and make the necessary preparations to attend the AGM or to participate, through corporate representatives, proxies or attorneys. All queries raised during the AGM were duly responded by the Board.

Where there is special business or where special resolutions are proposed, the explanation of the effects of such special business or special resolutions are provided in the notice of AGM. All the resolutions set out in the Notice of the AGM were put to vote by poll voting and duly passed.

In accordance with the Constitution of the Company, the shareholders who are eligible to vote at general meetings but are unable to attend the same in person, may appoint proxies to vote on their behalf. The outcome of the AGM was announced to Bursa Securities on the same meeting day. The Company had appointed one (1) independent scrutineer to verify the poll results.

The minutes of the AGM were published on the Company's website as soon as practicable after being reviewed and approved by the Board.

FOCUS AREA ON CORPORATE GOVERNANCE

Corporate governance was clearly imperative for the Group in the year 2021 against the backdrop of regulatory changes in the domestic corporate governance realm and a relatively challenging economic environment that is characterised by volatile market conditions and commodity prices. Against the aforementioned setting, during the year under review, the Board directed its focus on the core duties of the Board which is grounded on the creation of long-term value for stakeholders.

The Board will continue to enhance the corporate disclosure requirements in the best interest of the Company's shareholders and stakeholders in the upcoming years. The areas to be prioritised by the Board will be those principles which have not been adopted by the Company as disclosed in the CG Report.

This CG Overview Statement was approved by the Board of Directors of the Company on 7 July 2022.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors (the **"Board"**) is pleased to present the Statement on Risk Management and Internal Control (**"SORMIC"**) for Minetech Resources Berhad (**"Minetech"**) and its subsidiaries (**"Group"**) for the financial year ended 31 March 2022. This SORMIC is made in accordance with Paragraph 15.26(b) of the Main Market Listing Requirements (**"MMLR"**) of Bursa Malaysia Securities Berhad (**"Bursa Securities"**), taking into consideration the "Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers".

BOARD RESPONSIBILITY

The Board acknowledges the importance of a sound system of risk management and internal control and its overall responsibility for maintaining the Group's system of internal control and risk management (the **"System"**), as well as consistently reviewing the adequacy and integrity of the System. In view of the limitations that are inherent in any system of internal control, the System is designed to enable the Group to meet its business objectives and to manage rather than eliminate risk of failure while protecting its assets and safeguarding the shareholders' investment. Accordingly, it can only provide reasonable, but not absolute, assurance against the risk of material misstatement by the Management on financial information and records, financial losses or fraud.

The Board also recognises that risk management is an integral part of the business operation and, as such, the Board exercises due care to identify, evaluate and manage significant risks encountered by the Group. Accordingly, the Board has established an ongoing process for identifying, evaluating and managing the significant risks. This process has been in place up to the date of approval of this statement for the inclusion in the annual report and has been reviewed by the Board.

RISK MANAGEMENT

The Board has delegated the responsibility of reviewing the effectiveness of risk management to the Audit and Risk Management Committee (**"ARMC"**). ARMC is assisted by the Risk Management Steering Committee, comprising members of key management team and is established at subsidiary or business unit level; while Risk Management Unit Heads and Risk Officer are appointed to lead and manage each operating company risks within the Group. The Risk Management Steering Committee will address the risks on the ground and are responsible for identifying, measuring, controlling and monitoring risks within their area of operations.

The Group has established structure of "three lines of defence" for risk management: risk taking units (Business Units), risk control unit (Risk Management Steering Committee), and internal audit. The risk-taking units are responsible for the day-to-day management of risks inherent in their business activities, while the risk control unit is responsible for setting the risk management framework and developing related tools and methodologies. Complementing this is internal audit, which provides independent assurance of the effectiveness of the risk management approach.

The six (6) Risk Management Units, namely (1) manufacturing, (2) quarry operation, (3) civil engineering, (4) financial technology, (5) human resources, information technology and administration, and (6) finance, which perform risk oversight and review the business units' risk profiles. Practical action plans are recommended and carried out to address any identified potential weaknesses and to ensure that the internal control systems continue to operate satisfactorily and effectively. The risk management reports will record the changes in the risk profiles and the corresponding action plans. Risk management report is extended to ARMC for review or evaluation, then to the Board for final approval. The risk management reports are reviewed and discussed at the Board Meetings on half yearly basis.

Statement on Risk Management and Internal Control (Cont'd)

INTERNAL CONTROL

The Board has established an internal control framework that encapsulates the following key features of the Group's internal control system:

1. The Group has a well-defined organisational structure with formally defined lines of responsibilities, delegation of authorities and a process of hierarchical reporting system to ensure proper identification of accountabilities and segregation of duties;
2. There are operational approval limits imposed on the Management in respect of day-today operations and authorised signatories for major operating functions and transactions;
3. The Group maintains formalised policies and procedures which highlight the standard operating procedures for key processes, terms and conditions of employment, benefits and compensation, disciplinary rules and regulations which are relevant across the Group's operations;
4. Key functions, such as finance, tax, treasury, corporate and legal matters, are controlled centrally;
5. Training and development programmes are conducted to enhance staff competencies and to maintain a risk conscious culture;
6. An annual budgeting and business planning process is formalised to establish plans and targets for each operating unit. The performance of each operating unit is monitored through the monthly division performance review. Actual performance will be compared with budget and reviewed quarterly by the ARMC and Board with analysis and information provided by the Management on any major variances noted;
7. Head of Department Meetings are carried out regularly to review the monthly performance, monitor the business development, discuss and resolve key operational and management issues. The financial performance of each subsidiary is reviewed periodically and significant variances or fluctuations against the business plan and budget, if any, are discussed and explained comprehensively. The Management also regularly highlights to the Board on any significant issues, changes in the business environment, major policy matters and external environment factors affecting the Group;
8. The Board and ARMC review risk management and internal control issues identified by the internal auditors and the external auditors; and
9. The ARMC reviews the quarterly financial results and yearly financial statements prior to approval by the Board for the release of the said financial statements to Bursa Securities. The Board will also review the minutes of the ARMC meetings.

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

INTERNAL AUDIT FUNCTION

The internal audit function is in place to assist the ARMC to discharge its functions effectively. It is considered an integral part of the assurance framework to ensure the adequacy and effectiveness of the System within the Group. For the financial year under review, the ARMC outsourced the Group's internal audit function to an independent professional firm to independently assess the adequacy and effectiveness of the corporate governance and internal control system. The outsourced internal auditors provide an independent and objective feedback and report on its observations towards the corporate governance and internal control system directly to the ARMC. In the report, the outsourced internal auditors highlights its findings together with their recommendations to address the findings, the Management's comments on the findings and action plans to mitigate the weaknesses. These reports were tabled at ARMC meetings and thereafter forwarded to the Board for further deliberation. The outsourced internal auditors also regularly followed up with the Management and reported the status to the ARMC on the implementation of the agreed recommendations from the previous internal audit.

For the financial year ended 31 March 2022, the total costs incurred for the internal audit function amounted to approximately RM43,127.34

Statement on Risk Management and Internal Control (Cont'd)

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the Bursa Malaysia Securities Berhad MMLR, the external auditors have reviewed this SORMIC. Their limited assurance review was performed in accordance with Audit and Assurance Practice Guide (**"AAPG"**) 3: Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants. AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group. Based on their review, the External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that the Statement is not prepared, in all material respects, in accordance with disclosures required by Paragraph 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuer, or that the statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the Group's risk management and internal control system.

CONCLUSION

The Board has reviewed the System of the Group and is of the view that during the financial year up to the date of issuance of this Statement, there were no material losses, contingencies or uncertainties arising as a result of weaknesses in the internal control system which would require separate disclosures in this Annual Report. Cognisant of the need to maintain a robust risk management and internal control system in meeting the needs of the Group, the Board will maintain an ongoing measure and employ suitable measures to enhance the Group's control environment from time to time.

This Statement is made in accordance with a resolution of the Board dated 7 July 2022.

ADDITIONAL COMPLIANCE INFORMATION

Utilisation of Proceeds

The Company had issued and allotted a total of 582,664,397 new securities.

Details of the allotment during the financial year ended 31 March 2022 are as follows:-

Date	Type of securities	No. of securities allotted	Issued Price	Proceeds Raised
13 October 2021	Irredeemable Convertible Preference Shares	582,664,397	RM0.03	RM17,479,931.91

The proceeds would be utilised as working capital and defraying of expenses incidental to the issuance of Irredeemable Convertible Preference Shares.

Recurrent Related Party Transaction of a Revenue or Trading Nature

At the Annual General Meeting of the Company held on 28 September 2021, the Company obtained shareholders' approval for renewal of general mandate for the Group to enter into existing recurrent related party transaction of a revenue or trading nature.

The disclosure of the recurrent related party transactions conducted during the financial year ended 31 March 2022 are set out in Note 35 of the Financial Statements.

The Company is also seeking new shareholders' mandate for additional recurrent related party transaction of a revenue or trading nature at the forthcoming Annual General Meeting of the Company which to be held on 30 August 2022. Details of which has been set out in the Circular to Shareholders dated 29 July 2022.

Material Contracts involving Interest of the Directors, Chief Executive and Major Shareholders

Minetech has not entered into any material contracts involving interest of the Directors, Chief Executive and major shareholders (not being contracts entered into in the ordinary course of business) for the financial year ended 31 March 2022.

Share Issuance Scheme

The Company had at the Extraordinary General Meeting held on 28 June 2021 obtained its shareholders' approval to establish a Share Issuance Scheme (**"Scheme"**) of up to 15% of the issued and paid-up share capital of the Company (excluding treasury shares) at any one time during the duration of the Scheme for the eligible Directors and employees of the Group. The Company had on 18 November 2021 implemented the Scheme.

There were no options offered to or exercised by the Directors, Chief Executive and Senior Management during the financial year ended 31 March 2022.

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DIRECTORS' REPORT

The Directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2022.

PRINCIPAL ACTIVITIES

The principal activities of the Company are those of investment holding and provision of managerial services. The principal activities of its subsidiary companies are disclosed in Note 15 to the financial statements.

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

FINANCIAL RESULTS

	GROUP RM	COMPANY RM
Loss for the financial year	(25,192,092)	(10,755,719)
Loss attributable to:		
Owners of the parent	(22,158,535)	(10,755,719)
Non-controlling interests	(3,033,557)	-
	(25,192,092)	(10,755,719)

RESERVES AND PROVISIONS

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

DIVIDENDS

There were no dividends proposed, declared or paid by the Company since the end of the previous financial year. The Board of Directors do not recommend any dividend in respect of the current financial year.

ISSUE OF SHARES AND DEBENTURES

During the financial year,

(a) the Company issued 582,664,397 new irredeemable convertible preference shares ('ICPS") at an issue price of RM0.03 each for every two existing ordinary shares for a total consideration of RM17,479,932;

(b) reduction of the issued shares capital by RM90,000,000 pursuant to Section 116 of the Companies Act 2016 ("Share Capital Reduction")

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

Directors' Report (Cont'd)

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year.

DIRECTORS

The Directors in office since the beginning of the current financial year until the date of this report are:

Dato' (Dr). Ts. Awang Daud Bin Awang Putera*	
Choy Sen @ Chin Kim Sang*	
Chin Leong Choy*	
Awgku Mohd Reza Farzak Bin Awg Daud*	
Azlan Shah Bin Zainal Arif*	
Ahmad Rahizal Bin Dato' Ahmad Rasidi*	
Ahmad Ruslan Zahari Bin Zakaria	
Datin Feridah Binti Bujang Ismail	
Siti Aishah Binti Othman	
Loke Kim Meng	(Appointed on 28 Jan 2022)

The Directors who held office in the subsidiary companies (excluding Directors who are also Directors of the Company) since the beginning of the current financial year until the date of this report are:

Chin Jet Choy	
Chin Sheong Choy	
Jot Seng Keong	
Dato' Jeremy Kho Boon Seng	
Lee Inn Chean	(Appointed on 11 November 2021)
Chin Chee Choy	(Resigned on 11 November 2021)

* Director of the Company and of its subsidiary companies

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

Directors' Report (Cont'd)

DIRECTORS' INTERESTS

The interests and deemed interests in the shares of the Company and of its related corporations (other than wholly-owned subsidiary companies) of those who were Directors at financial year end (including their spouses and children) according to the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			
	At 01.04.2021	**Bought**	**Sold**	**At 31.03.2022**
Interests in the Holding Company				
Direct interests				
Dato' (Dr). Ts. Awang Daud Bin Awang Putera	297,849,500	13,733,300	(46,800,000)	264,782,800
Choy Sen @ Chin Kim Sang	167,097,020	5,351,400	(44,000,000)	128,448,420
Chin Leong Choy	47,456,100	-	-	47,456,100
Awgku Mohd Reza Farzak Bin Awg Daud	1,150,000	-	-	1,150,000
Azlan Shah Bin Zainal Arif	4,170,000	-	-	4,170,000
Indirect Interests				
Dato' (Dr). Ts. Awang Daud Bin Awang Putera*	-	642,000	-	642,000
Choy Sen @ Chin Kim Sang*	48,056,100	-	-	48,056,100

* Deemed interest by virtue of the shares held by spouse and/or child.

	Number of Irredeemable convertible Preference shares			
	At 01.04.2021	**Bought**	**Sold**	**At 31.03.2022**
Interests in the Holding Company				
Direct interests				
Chin Leong Choy	-	23,728,050	(4,741,400)	18,986,650
Choy Sen @ Chin Kim Sang	-	83,548,510	-	83,548,510
Indirect interests				
Choy Sen @ Chin Kim Sang	-	23,728,050	(4,741,400)	18,986,650

By virtue of their interests in the shares of the Company, Dato' (Dr). Ts. Awang Daud Bin Awang Putera, Choy Sen @ Chin Kim Sang, Chin Leong Choy and Awgku Mohd Reza Farzak Bin Awg Daud are also deemed interested in the shares of all subsidiary companies during the financial year to the extent that the Company has an interest under Section 8(4) of the Companies Act 2016.

None of the other Directors in office at the end of the financial year had any interest in the shares in the Company or its related corporations during the financial year.

Directors' Report (Cont'd)

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors as shown in Note 9 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

Other than disclosed in Note 35(c) to the financial statements, there were no arrangements during and at the end of the financial year, which had the object of enabling the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

INDEMNITY AND INSURANCE COSTS

During the financial year, the total amount of indemnity coverage and insurance premium amount of indemnity for Directors and Officers of the Group were RM10,000,000 and RM14,800 respectively. No indemnity was given to or insurance effected for the auditors of the Company.

OTHER STATUTORY INFORMATION

(a) Before the financial statements of the Group and the Company were prepared, the Directors took reasonable steps:

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

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

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

  (ii) which would render the values attributed to current assets in the financial statements of the Group and the Company misleading; or

  (iii) not otherwise dealt with in this report or the financial statements of the Group and the Company which would render any amount stated in the financial statements misleading; or

  (iv) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and the Company misleading or inappropriate.

Directors' Report (Cont'd)

OTHER STATUTORY INFORMATION (CON'T)

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

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

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

(d) In the opinion of the Directors:

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

(ii) the results of the operations of the Group and the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

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

SUBSIDIARY COMPANIES

The details of the subsidiary companies are disclosed in Note 15 to the financial statements.

AUDITOR AND AUDITORS' REMUNERATION

The auditors, Al Jafree Salihin Kuzaimi PLT, have expressed their willingness to continue in office.

The details of auditors' remuneration is disclosed in Note 6 to the financial statements.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 20 July 2022.

AZLAN SHAH BIN ZAINAL ARIF
DIRECTOR

CHIN LEONG CHOY
DIRECTOR

Kuala Lumpur

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

We, **AZLAN SHAH BIN ZAINAL ARIF** and **CHIN LEONG CHOY**, being two of the Directors of **MINETECH RESOURCES BERHAD**, do hereby state that, in the opinion of the Directors, the accompanying financial statements are drawn up in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2022 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 20 July 2022.

AZLAN SHAH BIN ZAINAL ARIF
DIRECTOR

CHIN LEONG CHOY
DIRECTOR

STATUTORY DECLARATION
PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, **MOHD DZULFADHLY BIN ROZELAN**, being the officer primarily responsible for the financial management of **MINETECH RESOURCES BERHAD**, do solemnly and sincerely declare that the accompanying financial statements are in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
the abovenamed **MOHD DZULFADHLY**)
BIN ROZELAN at Kuala Lumpur in the)
Federal Territory on 20 July 2022)

MOHD DZULFADHLY BIN ROZELAN

Before me,

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF MINETECH RESOURCES BERHAD
[Registration No: 200201007880 (575543-X)] (Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Minetech Resources Berhad, which comprise the statements of financial position as at 31 March 2022 of the Group and of the Company, and the statements of profit or loss and other·comprehensive income, statements of changes in equity and statements of cash flows of the Group and 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 95 to 187.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2022, and of their financial performance and their cash flows for the financial year then ended in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

We are independent of the Group and 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 IESBA Code.

Key Audit Matters

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

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

Independent Auditors' Report (Cont'd)

Key Audit Matters (Cont'd)

<table>
<tr><th>Key Audit Matters</th><th>How our audit addressed the key audit matters</th></tr>
<tr><td>

1. Impairment of Goodwill

The Group is required to perform annual impairment test of cash generating units ("CGUs") or groups of CGUs to which goodwill has been allocated. The Group estimated the recoverable amount of its CGUs or groups of CGUs to which the goodwill is allocated based on value-in-use ("VIU").

Estimating the VIU of CGUs or groups of CGUs involves estimating the future cash inflows and outflows and discounting them at an appropriate rate.

Included in the Group's goodwill as at 31 March 2022 of RM3.5 million is goodwill relating to the acquisition amounting to Uniqa (M) Sdn. Bhd. in the previous financial year. Significant judgements were involved in the terminal value and growth rate of the expected cash flows as well as the determination of an appropriate discount rate, which may cause possible variations in the recoverable amount of the CGU to which the goodwill has been allocated.

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In respect to the assessment of the impairment of goodwill, we have obtained the Group's impairment assessment and assessed the methodology used by the Directors to estimate the recoverable value of the cash-generating unit (CGU) to ensure that this is consistent with the accounting standards.

In performing the impairment assessment, our procedures included amongst others, the following:

- We have challenged the key assumptions used by the Directors in the discounted cash flows projections in determining the recoverable amounts which include the annual revenue growth rate and discount rate.
- We have assessed the reliability of the Directors' forecast through the review of past trends of actual financial performances against previous forecasted results.
- Evaluated the sufficiency and appropriateness of the Group's disclosures of key assumptions used in estimations.

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2. Revenue and costs recognition - construction contracts

The Group recognised revenue from construction contracts of RM55.5 million which represent 66% of total revenue of the Group for the financial year ended 31 March 2022.

Revenue recognition of a construction contract is inherently complex and we focused on this area because there are significant management estimates and judgements involved in determining the:

- Stage of completion;
- Extent of the construction costs incurred to date;
- Estimated total construction costs; and
- Need to estimate liquidated ascertained damages ("LAD") on the project where the estimated completion date is beyond the contractual completion date.

Refer to Note 2(c) on significant accounting judgements, estimates and assumptions, Notes 3(m) and 3(u)(i) on summary of significant accounting policies and Note 4 and Note 20 to the financial statements.

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Our procedures included, amongst others:

- We tested the operating effectiveness of the key controls in respect of the review and approval of the project budgets to assess the reliability of these budgets.
- We identified and assessed the significant estimates and judgements made by the Directors in the recognition of the revenue and costs arising from construction contracts. This was performed by corroborating the stages of completion and extent of costs incurred to date on major projects by agreeing to internal or external quantity surveyors' latest valuations.
- We have also agreed, on a sample basis, costs incurred to the supporting documentations such as subcontractor claim certificates and invoices from vendors.
- We assessed the reasonableness of the estimated total construction costs of major project by agreeing to supporting documentation such as approved budgets, quotations, correspondences, contracts, letter of awards, agreements and variation orders with sub-contractors.
- We have assessed the potential cause of delay by inspecting correspondences with project owners and corroborated key judgment applied by the management in assessing any requirement for consideration of Liquidated ascertained damages ("LAD") to determine the adequacy of provision for LAD, if any.

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Independent Auditors' Report (Cont'd)

Key Audit Matters (Cont'd)

<table>
<tr><th>Key Audit Matters</th><th>How our audit addressed the key audit matters</th></tr>
<tr><td>3. Recoverability of trade receivables

As at 31 March 2022, the net carrying amount of trade receivables of the Group amounted to RM35.4 million as discussed in Note 21 to the financial statements.

The Group performed an impairment review in respect of the trade receivables by performing expected credit loss assessment using the simplified approach

The management applied assumptions in assessing the level of allowance for impairment losses on trade receivables based on the following:

- specific known facts or circumstances on customers' ability to pay, and/or
- by reference to past default experiences

The Group assessed at each reporting date whether there is any objective evidence that trade receivables are impaired based on validity of contractual terms, analysis of customer credit worthiness, past historical trends and expected repayments.

This is an area of audit focus as the determination of the quantum of the impairment loss is a subjective area due to the significant level of judgement and assumptions applied by the management.</td><td>Our procedures included, amongst others:

We obtained an understanding of the Group's:
• Control over the receivables approval and collection process - we assessed the validity of material long outstanding receivable by obtaining external confirmation. We also consider amounts (settlement) received subsequent to the year end up to the date of the financial statements, past payment histories and unusual pattern to identify potential impairment balances to be impaired at reporting date.

Process to identify and assess the impairment of receivables - we assessed the appropriateness of the allowances for the trade receivables using simplified approach which includes:

• Discussion with management to ascertain the appropriateness of using simplified approach and to understand the underlying assumptions used in the simplified approach impairment model under MFRS 9 when determining the expected credit loss.

• Reviewing management's basis of estimation to determine the default rate including review of past historical trends, creditworthiness assessment and expected payments based on settlement agreement with customers.

• Challenging management's view on credit risk of trade receivables and take into consideration the subsequent collection as well as historical patterns for outstanding trade receivables and holding discussions with those charged with governance and management.

• We tested the accuracy of the ageing against supporting documents on a sample basis.

• We have ensured the disclosures in the notes to the financial statements are in accordance with MFRS 9.</td></tr>
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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 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 the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and 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.

Independent Auditors' Report (Cont'd)

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 the 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 the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and 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 or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

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

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

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

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

Independent Auditors' Report (Cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary companies of which we have not acted as auditors, are disclosed in Note 15 to the financial statements.

Other matters

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

AL JAFREE SALIHIN KUZAIMI PLT
201506002872 (LLP0006652-LCA) & AF1522
CHARTERED ACCOUNTANTS

AIZUL IZUAN BIN ABDUL HAMID
No. 03509/07/2022 J
CHARTERED ACCOUNTANT

Dated: 20 July 2022

Selangor, Malaysia

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Note	Group 2022 RM	Group 2021 RM Restated	Company 2022 RM	Company 2021 RM Restated
Continuing operations					
Revenue	4	85,390,950	95,020,830	2,178,000	1,764,000
Cost of sales		(83,016,458)	(77,523,497)	-	-
Gross profit		2,374,492	17,497,333	2,178,000	1,764,000
Other income		2,538,125	2,911,560	1,990,339	2,922,453
Administrative expenses		(27,746,257)	(14,910,490)	(14,855,719)	(11,035,392)
Selling and marketing expenses		(475,837)	(395,492)	-	-
Finance costs	5	(1,150,285)	(968,643)	(68,339)	(112,632)
Share of results of associate companies		119,875	(118,299)	-	-
(Loss)/Profit before tax	6	(24,339,887)	4,015,969	(10,755,719)	(6,461,571)
Taxation	7	(852,198)	(3,118,724)	-	-
(Loss)/Profit from continuing operations		(25,192,085)	897,245	(10,755,719)	(6,461,571)
Discontinued operation					
Loss from discontinued operation, net of tax		(7)	(181,865)	-	-
Net (Loss)/Profit for the year		(25,192,092)	715,380	(10,755,719)	(6,461,571)
Other comprehensive income					
Items that are or may be reclassified subsequently to profit or loss					
- Exchange translation differences for foreign operation		4,620	39,933	-	-
Total comprehensive (loss)/income for the year		(25,187,472)	755,313	(10,755,719)	(6,461,571)

The accompanying notes form an integral part of the financial statements.

Statements Of Profit Or Loss And Other Comprehensive Income
For The Financial Year Ended 31 March 2022 (Cont'd)

	Note	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
(Loss)/Profit from the year attributable to:					
Equity holders of the Company		(22,158,535)	923,818	(10,755,719)	(6,461,571)
Non-controlling interests		(3,033,557)	(208,438)	-	-
		(25,192,092)	715,380	(10,755,719)	(6,461,571)
Total comprehensive (loss)/ income attributable to:					
Equity holders of the Company		(22,153,915)	963,751	(10,755,719)	(6,461,571)
Non-controlling interests		(3,033,557)	(208,438)	-	-
		(25,187,472)	755,313	(10,755,719)	(6,461,571)
(Loss)/Profit per share					
Basic (sen)	8				
- continuing operations		(1.90)	0.09		
- discontinuing operation		(0.01)	(0.01)		
		(1.91)	0.08		
Diluted (sen)	8				
- continuing operations		(1.27)	0.09		
- discontinuing operation		(0.01)	(0.01)		
		(1.28)	0.08		

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
Assets					
Non-Current Assets					
Property, plant and equipment	10	65,475,542	36,501,376	691,184	677,265
Right-of-use assets	11	3,958,608	11,503,648	-	246,056
Investment properties	12	1,579,767	10,816,041	-	-
Inventories	13	6,000,000	6,000,000	6,000,000	6,000,000
Quarry development expenditure	14	75,580	86,859	-	-
Investment in subsidiary companies	15	-	-	30,929,461	44,597,254
Investment in associates	16	-	-	-	120,000
Intangible assets	17	3,454,814	3,979,246	-	-
Other investments	18	-	-	-	-
Trade receivables	21	206,990	-	-	-
Other receivables	19	201,998	582,617	-	-
		80,953,299	69,469,787	37,620,645	51,640,575
Current Assets					
Inventories	13	2,495,586	2,019,213	-	-
Contract assets	20	18,175,763	36,221,907	-	-
Trade receivables	21	35,203,049	18,287,336	-	-
Other receivables	19	16,120,015	3,433,249	5,662,853	198,475
Amount due from an associate	22	-	9,790,537	-	9,790,537
Amount due from subsidiary companies	23	-	-	36,294,792	14,847,166
Tax recoverable		93,341	128,000	2,815	2,815
Other investments	18	2,510,355	466,078	2,094,754	57,200
Fixed deposits with licensed banks	24	6,398,940	7,492,841	-	-
Cash and bank balances		10,028,337	15,054,613	1,823,451	1,599,831
		91,025,386	92,893,774	45,878,665	26,496,024
Assets classified as held for sale	25	12,000,125	31,254,515	-	-
Total Assets		183,978,810	193,618,076	83,499,310	78,136,599
Equity					
Share capital	26	94,050,105	166,812,692	94,050,105	166,812,692
Reserves	27	(8,230,957)	(75,987,214)	(13,779,188)	(93,023,469)
Treasury shares	28	(47,990)	(47,990)	(47,990)	(47,990)
Equity attributable to equity holders of the Company		85,771,158	90,777,488	80,222,927	73,741,233
Non-controlling interests		(2,668,626)	1,563,327	-	-
Total Equity		83,102,532	92,340,815	80,222,927	73,741,233

The accompanying notes form an integral part of the financial statements.

Statements of Financial Position
As At 31 March 2022 (Cont'd)

		Group		Company	
	Note	2022 RM	2021 RM	2022 RM	2021 RM
Liabilities					
Non-Current Liabilities					
Loans and borrowings	29	14,394,245	16,945,048	69,095	-
Deferred tax liabilities	30	2,804,128	2,389,663	-	-
		17,198,373	19,334,711	69,095	-
Current Liabilities					
Trade payables	31	42,730,877	32,463,711	-	-
Other payables	32	6,225,040	6,035,810	1,023,876	1,288,163
Amount due to subsidiary companies	23	-	-	2,150,452	2,820,300
Loans and borrowings	29	34,026,015	20,187,092	32,960	286,903
Tax payable		695,973	2,328,099	-	-
		83,677,905	61,014,712	3,207,288	4,395,366
Liabilities classified as held for sale	25	-	20,927,838	-	-
		84,080,137	81,942,550	3,207,288	4,395,366
Total Liabilities		100,876,278	101,277,261	3,276,383	4,395,366
Total Equity and Liabilities		183,978,810	193,618,076	83,499,310	78,136,599

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

		Attributable to Equity holders of the Company								
		Non-distributable								
	Note	Share capital RM	Treasury shares RM	Foreign currency translation reserve RM	Warrant reserve RM	Other reserve RM	Accumulated losses RM	Total RM	Non-controlling interest RM	Total equity RM
Group										
At 1 April 2021		166,812,692	(47,990)	39,933	-	-	(76,027,147)	90,777,488	1,563,327	92,340,815
Loss for the financial year		-	-	-	-	-	(22,158,535)	(22,158,535)	(3,033,557)	(25,192,092)
Other comprehensive income for the financial year		-	-	4,620	-	-	-	4,620	-	4,620
Total comprehensive income for the financial year		-	-	4,620	-	-	(22,158,535)	(22,153,915)	(3,033,557)	(25,187,472)
Transactions with owners:										
Issuance of irredeemable convertible of preference shares	26	17,479,932	-	-	-	-	-	17,479,932		17,479,932
Share issue expenses		(242,519)	-	-	-	-	-	(242,519)	-	(242,519)
Share capital reduction		(90,000,000)	-	-	-	-	90,000,000	-	-	-
Disposal of a subsidiary		-	-	-	-	-	-	-	(1,422,220)	(1,422,220)
Dilution of an interest in a subsidiary		-	-	-	-	-	(114,191)	(114,191)	114,191	-
Acquisition of a subsidiary		-	-	-	-	-	24,363	24,363	109,633	133,996
		(72,762,587)	-	-	-	-	89,910,172	17,147,585	(1,198,396)	18,982,746
At 31 March 2022		94,050,105	(47,990)	44,553	-	-	(8,275,510)	85,771,158	(2,668,626)	83,102,532

The accompanying notes form an integral part of the financial statements.

Statements of Changes In Equity
For The Financial Year Ended 31 March 2022 (Cont'd)

	Note	Share capital RM	Treasury shares RM	Foreign currency translation reserve RM	Warrant reserve RM	Other reserve RM	Accumulated losses RM	Total RM	Non-controlling interest RM	Total equity RM
		Attributable to Equity holders of the Company								
		Non-distributable								
Group										
At 1 April 2020		132,526,862	(47,990)	-	-	-	(77,060,109)	55,418,763	2,151,709	57,570,472
Profit for the financial year		-	-	-	-	-	923,818	923,818	(208,438)	715,380
Other comprehensive income for the financial year		-	-	39,933	-	-	-	39,933	-	39,933
Total comprehensive income for the financial year		-	-	39,933	-	-	923,818	963,751	(208,438)	755,313
Transactions with owners:										
Issuance of ordinary shares	26	34,285,830	-	-	-	-	-	34,285,830	-	34,285,830
Acquisition of new subsidiary	15(a)	-	-	-	-	-	109,144	109,144	(379,944)	(270,800)
		34,285,830	-	-	-	-	109,144	34,394,974	(379,944)	34,015,030
At 31 March 2021		166,812,692	(47,990)	39,933	-	-	(76,027,147)	90,777,488	1,563,327	92,340,815

The accompanying notes form an integral part of the financial statements.

Statements of Changes In Equity
For The Financial Year Ended 31 March 2022 (Cont'd)

	Note	← Non-distributable			→		
		Share capital RM	Treasury shares RM	Warrant reserve RM	Other reserve RM	Accumulated losses RM	Total RM
Company							
At 1 April 2021		166,812,692	(47,990)	-	-	(93,023,469)	73,741,233
Loss for the financial year, representing total comprehensive loss for the financial year		-	-	-	-	(10,755,719)	(10,755,719)
Transactions with owners:							
Issuance of irredeemable convertible of preference shares	26	17,479,932	-	-	-	-	17,479,932
Share issue expenses		(242,519)	-	-	-	-	(242,519)
Share capital reduction		(90,000,000)	-	-	-	90,000,000	-
		(72,762,587)	-	-	-	90,000,000	17,237,413
At 31 March 2022		94,050,105	(47,990)	-	-	(13,779,188)	80,222,927
At 1 April 2020		132,526,862	(47,990)	-	-	(86,561,898)	45,916,974
Loss for the financial year, representing total comprehensive loss for the financial year		-	-	-	-	(6,461,571)	(6,461,571)
Transactions with owners:							
Issuance of ordinary shares	26	34,285,830	-	-	-	-	34,285,830
		34,285,830	-	-	-	-	34,285,830
At 31 March 2021		166,812,692	(47,990)	-	-	(93,023,469)	73,741,233

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Cash flows from operating activities				
(Loss)/Profit before tax	(24,339,887)	4,015,969	(10,755,719)	(6,461,571)
Adjustments for:				
Amortisation of right-of-use assets	547,032	411,916	246,056	246,058
Amortisation of quarry development expenditure	18,895	-	-	-
Bad debts recovered	-	(174,949)	-	(1,200)
Depreciation of investment properties	20,592	127,752	-	-
Depreciation of property, plant and equipment	1,706,172	1,605,451	140,648	128,125
Impairment losses on:				
- other receivables	1,083,642	53,443	-	-
- trade receivables	4,609,143	33,460	-	-
- amount due from subsidiary companies	-	-	224,132	1,211,858
- investment in subsidiary companies	-	-	3,687,793	-
- intangible asset	552,266	-	-	-
- asset held for sale	4,244,391	-	-	-
Reversal of impairment on				
- other receivables	(355,448)	(1,062,697)	-	-
- trade receivables	(236,642)	(120,402)	-	-
- amount due from subsidiary companies	-	-	(1,782,107)	(2,589,164)
- investment in subsidiary companies	-	-	(6,600,000)	(102)
Finance costs	1,150,285	968,643	68,339	112,632
(Loss) / Gain on disposal of subsidiary companies	(1,102,049)	2	-	-
Interest income	(153,763)	(258,075)	(43,882)	(86,410)
Share of result in associated company	(119,875)	118,299	-	-
Operating (loss)/profit before working capital changes carried forward	(12,375,246)	5,718,812	(14,814,740)	(7,439,774)
Gain on disposal of property, plant and equipment	(622,043)	(300,474)	-	(193,600)
Unrealised gain on foreign exchange	-	(96,502)	-	-
Operating (loss) / profit before working capital changes brought forward	(12,997,289)	5,321,836	(14,814,740)	(7,633,374)
Changes in working capital:				
Quarry development expenditure	11,279	(86,859)	-	-
Inventories	(476,373)	6,369,300	-	-
Trade receivables	2,757,559	11,050,025	-	-
Other receivables	(8,257,402)	4,469,452	(5,321,602)	315,238
Contract assets/contract liabilities	18,046,144	(32,894,543)	-	-
Trade payables	(10,267,166)	6,112,138	-	-
Other payables	(189,230)	(5,826,968)	192,899	470,024
Subsidiary companies	-	-	(4,566,358)	(11,451,464)
Cash used in operations	(11,372,478)	(5,485,619)	(24,509,801)	(18,299,576)
Interest received	153,763	258,075	43,882	86,410
Interest paid	(1,150,285)	(968,643)	(68,339)	(112,632)
Tax paid	(2,065,684)	(976,531)	-	-
Tax refunded	-	130,811	-	-
Net cash used in operating activities	(14,434,684)	(7,041,907)	(24,534,258)	(18,325,798)

The accompanying notes form an integral part of the financial statements.

Statements of Cash Flows
For The Financial Year Ended 31 March 2022 (Cont'd)

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Cash flows from investing activities				
Purchase of property, plant and equipment	(29,714,592)	(20,932,854)	83,179	(47,172)
Acquisition of associate companies	-	-		(4,902,999)
Proceeds from disposal of subsidiary companies	5,100,000	-	-	-
Movement in amount due to associates	9,790,537	(9,790,537)	9,790,537	(9,790,537)
Proceeds from disposal from property, plant and equipment	1,432,500	413,601	-	489,147
Acquisition of other investment	(2,094,754)	(311,065)	2,094,754	-
Proceed from disposal of other investments	-	750,000	-	-
Net cash (used in)/generated from investing activities	(15,486,309)	(29,870,855)	7,541,216	(14,251,561)
Cash flows from financing activities				
Movement in fixed deposits pledged	1,093,901	(114,345)	-	-
Drawdown of term loans	14,000,000	15,700,000	-	-
Drawdown of short term borrowings	5,937,502	-	-	-
Repayment of term loans	(4,006,490)	(402,153)	-	-
Repayment of overdraft facilities	(1,667,386)	(1,921,570)	-	-
Repayment of lease liabilities and hire purchase	(1,208,909)	(2,563,822)	(334,658)	(278,952)
Repayment of short-term borrowings	(5,066,447)	(1,496,544)	-	-
Proceeds from issuance shares	17,479,932	34,285,830	17,479,932	34,285,830
Net cash generated from financing activities	26,562,103	43,487,396	17,145,274	34,006,878

The accompanying notes form an integral part of the financial statements.

Statements of Cash Flows
For The Financial Year Ended 31 March 2022 (Cont'd)

		Group		Company	
	Note	2022 RM	2021 RM	2022 RM	2021 RM
Net (decrease)/increase in cash and cash equivalents		(3,358,890)	6,574,634	223,620	1,429,519
Effects of exchange translation differences on cash and cash equivalents		-	364	-	-
Cash and cash equivalents at the beginning of financial year		10,829,178	4,254,180	1,599,831	170,312
Cash and cash equivalents at the end of financial year		7,470,288	10,829,178	1,823,451	1,599,831
Cash and cash equivalents at the end of the financial year comprises:					
Cash and bank balances		10,028,337	15,054,613	1,823,451	1,599,831
Fixed deposits with licensed banks		6,398,940	7,492,841	-	-
Bank overdrafts	29	(2,558,049)	(4,225,435)	-	-
		13,869,228	18,322,019	1,823,451	1,599,831
Less: Fixed deposits pledged to licensed banks	24	(6,398,940)	(7,492,841)	-	-
		7,470,288	10,829,178	1,823,451	1,599,831

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2022

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The principal place of business of the Company is located at D-G-5, Block D, Parklane Commercial Hub, No. 21, Jalan SS7/26, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan.

The registered office of the Company is located at 12th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan.

The principal activities of the Company are those of investment holding and provision of managerial services. The principal activities of its subsidiary companies are disclosed in Note 15. There have been no significant changes in the nature of these activities of the Company and its subsidiary companies during the financial year.

2. BASIS OF PREPARATION

(a) Statement of compliance

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

The financial statements of the Group and the Company have been prepared under the historical cost convention, unless otherwise indicated in the significant accounting policies below.

Adoption of new and amended standards

During the financial year, the Company has adopted the following amended MFRSs that are mandatory for annual financial periods beginning on or after 1 April 2021:

Description	Effective for annual period beginning on or after
Amendments to MFRS 9 - Interest Rate Benchmark Reform—Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)	1 January 2021
Amendments to MFRS 16 Interest Rate Benchmark Reform—Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)	1 January 2021
Amendments to MFRS 16 - Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to MFRS 16 Leases)	1 April 2021
Amendments to MFRS 1- Annual improvements to MFRS 2018-2020	1 January 2022
Amendments to MFRS 3 - Reference to the Conceptual Framework (Amendment to MFRS 3 Business Combinations)	1 January 2022
Amendments to MFRS 9 - Annual improvements to MFRS 2018-2020	1 January 2022
Amendments to MFRS 116 - 'Property, Plant and Equipment — Proceeds before Intended Use (Amendments to MFRS 116 - Property, Plant and Equipment)	1 January 2022
Amendments to MFRS 137 - Onerous Contracts—Cost of Fulfilling a Contract (Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets)	1 January 2022

Notes To The Financial Statements
31 March 2022 (Cont'd)

2. BASIS OF PREPARATION (CONT'D)

(a) Statement of compliance (Cont'd)

Adoption of new and amended standards (Cont'd)

During the financial year, the Company has adopted the following amended MFRSs that are mandatory for annual financial periods beginning on or after 1 April 2021: (Cont'd)

Description	Effective for annual period beginning on or after
Annual Improvements to MFRS Standards 2018-2020 Cycle - MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards (Subsidiary as a first-time adopter)	1 January 2022
Annual Improvements to MFRS Standards 2018-2020 Cycle - MFRS 9 Financial Instruments (Fees in the "10 Percent" Test for Derecognition of Financial Liabilities)	1 January 2022

Standards issued but not yet effective

The following amendments that have been issued by the Malaysian Accounting Standards Board will become effective in future financial reporting periods and have not been adopted by the Group or the Company in these financial statements:

Description	Effective for annual period beginning on or after
Amendment to MFRS 101 - Presentation of Financial Statements (Classification of Liabilities as Current or Non-current)	1 January 2023
Amendment to MFRS 101 - Presentation of Financial Statements (Disclosure of Accounting Policies)	1 January 2023
Amendment to MFRS 112 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendment to MFRS 108 - Accounting Policies, Changes in Accounting Estimates and Errors (Definition of Accounting Estimates)	1 January 2023
Amendments to MFRS 10 and MFRS 128: Investments in Associates and Joint Venture (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)	Deferred

The Group and the Company are expected to apply the above-mentioned amendments beginning from the respective dates the amendments become effective. The initial application of the abovementioned amendments are not expected to have any material impacts to the financial statements of the Group and the Company.

(b) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Group's and the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest RM except when otherwise stated.

Notes To The Financial Statements
31 March 2022 (Cont'd)

2. BASIS OF PREPARATION (CONT'D)

(c) Significant accounting judgements, estimates and assumptions

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

Judgements

The following are the judgements made by management in the process of applying the Group's and the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements:

Satisfaction of performance obligations in relation to contracts with customers

The Group and the Company are required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method for recognising revenue. This assessment was made based on the terms and conditions of the contracts, and the provisions of relevant laws and regulations:

The Group and the Company recognise revenue over time in the following circumstances:

(a) the customer simultaneously receives and consumes the benefits provided by the Group's and by the Company's performance as the Group and the Company performs;

(b) the Group and the Company do not create an asset with an alternative use to the Group or the Company and have an enforceable right to payment for performance completed to date; and

(c) the Group's and the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point in time, the Group and the Company assess each contract with customers to determine when the performance obligation of the Group under the contract is satisfied.

Determining the lease term of contracts with renewal and termination options - Group and the Company as lessee

The Group and the Company determine the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group and the Company have several lease contracts that include extension and termination options. The Group and the Company apply judgement in evaluating whether it is reasonably certain or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group and the Company reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

The Group and the Company include the renewal period as part of the lease term for leases of land and building with non-cancellable period included as part of the lease term as these are reasonably certain to be exercised because there will be a significant negative effect on operation if a replacement asset is not readily available.

Notes To The Financial Statements
31 March 2022 (Cont'd)

2. BASIS OF PREPARATION (CONT'D)

(c) Significant accounting judgements, estimates and assumptions (Cont'd)

Judgements (Cont'd)

The following are the judgements made by management in the process of applying the Group's and the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements: (Cont'd)

Determining the lease term of contracts with renewal and termination options - Group and the Company as lessee (Cont'd)

The key assumptions concerning the future and other key sources of estimation or uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are set out below:

Useful lives/depreciation of property, plant and equipment (Note 10) and right-of-use ("ROU") asset (Note 11)

The Group and the Company regularly review the estimated useful lives of property, plant and equipment and ROU assets based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of property, plant and equipment and ROU assets would increase the recorded depreciation and decrease the value of property, plant and equipment and ROU assets. The carrying amount of the property, plant and equipment and right-of-use assets is disclosed in Notes 10 and 11 to the financial statements respectively.

Key sources of estimation uncertainty

Impairment of investment in subsidiary companies

The Company reviews its investments in subsidiary companies when there are indicators of impairment. Impairment is measured by comparing the carrying amount of an investment with its recoverable amount. Significant judgement is required in determining the recoverable amount. Estimating the recoverable amount requires the Company to make an estimate of the expected future cash flows from the cash generating units and also to determine a suitable discount rate in order to calculate the present value of those cash flows.

The carrying amount at the reporting date for investments in subsidiary companies is disclosed in Note 15 to the financial statements.

Inventories valuation

Inventories are measured at the lower of cost and net realisable value. The Group and the Company estimate the net realisable value of inventories based on an assessment of expected sales prices. Demand levels and pricing competition could change from time to time. If such factors result in an adverse effect on the Group's and on the Company's products, the Group and the Company might be required to reduce the value of its inventories. Details of inventories are disclosed in Note 13 to the financial statements.

Determination of transactions prices

The Group and the Company are required to determine the transaction price in respect of each of its contracts with customers by making such judgement the Group and the Company assessed the impact of any variable consideration in the contract, due to discounts or penalties, the existence of any significant financing component and any non-cash consideration in the contract.

There is no estimation required in determining the transaction price, as revenue from sale of goods and services are based on invoiced values. Discounts are not considered as they are only given in rare circumstances.

Notes To The Financial Statements
31 March 2022 (Cont'd)

2. BASIS OF PREPARATION (CONT'D)

(c) Significant accounting judgements, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Impairment of goodwill on consolidation

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use amount requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The key assumptions used to determine the value in use is disclosed in Note 17 to the financial statements.

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the unused tax losses, unabsorbed capital allowances and other deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The carrying value of recognised and unrecognised deferred tax assets are disclosed in Note 30 to the financial statements.

Revenue from construction contracts

The Group recognises contract revenue based on input method. The stage of completion is measured by reference to the contract costs incurred up to reporting date as a percentage of total estimated costs for each contract. Significant judgement is required in determining the stage of completion, the extent of the contract costs incurred, the estimated total contract costs, the profitability of the contracts, including the foreseeable losses, potential claims (variation orders) to owners of the projects and counter claims from subcontractors and liquidated ascertained damages ("LAD") based on expected completion dates of the contracts. In making this judgement, the Directors took into consideration the current circumstances and relied on input from the Group's project managers, external consultants, where appropriate, and past experience. In addition, in determining the provision for LAD to be recorded, the Directors also assessed the ability of the Group to recover from the subcontractors, the potential LAD imposed on the Group by the project owners for delays in projects caused directly by the subcontractors.

The contract assets and contract liabilities of the Group arising from construction contracts are disclosed in Note 20 to the financial statements.

Income taxes

Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group and the Company recognise liabilities for tax based on estimates of whether additional taxes will be due. Where the final tax outcome of these tax matters is different from the amounts that were initially recognised, such differences will impact the income tax and/or deferred tax provisions in the period in which such determination is made. Details of taxation are disclosed in Notes 7 and 30 to the financial statements.

Notes To The Financial Statements
31 March 2022 (Cont'd)

2. BASIS OF PREPARATION (CONT'D)

(c) Significant accounting judgements, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Contingent liabilities

Determination of the treatment of contingent liabilities is based on management's view of the expected outcome of the contingencies after consulting legal counsel for litigation cases and internal and external experts to the Group for matters in the ordinary course of business. Details of contingent liabilities are disclosed in Note 33 to the financial statements.

Fair value of financial instruments

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. Details of the assumptions used are given in the Note 37(c) regarding financial assets and liabilities. In applying the valuation techniques management makes maximum use of market inputs, and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the end of the reporting period.

Provision for expected credit loss of financial assets at amortised cost

The Group and the Company review the recoverability of its receivables, include trade and other receivables, amounts due from subsidiary companies and related companies at each reporting date to assess whether an impairment loss should be recognised. The impairment provisions for receivables are based on assumptions about risk of default and expected loss rates. The Group and the Company use judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's and the Company's past history, existing market conditions at the end of each reporting period.

The Group and the Company use a provision matrix to calculate expected credit loss for trade and other receivables. The provision rates are based on number of days past due. The provision matrix is initially based on the Group's and the Company's historical observed default rates. The Group and the Company will calibrate the matrix to adjust the historical credit loss experience. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and expected credit loss is a significant estimate.

Information about the expected credit losses and the carrying amounts at the reporting date for receivables are disclosed in Notes 19, 21, 22 and 23 to the financial statements.

Discount rate used in leases

Where the interest rate implicit in the lease cannot be readily determined, the Group and the Company use the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group and the Company would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation, particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group and the Company estimate the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

Notes To The Financial Statements
31 March 2022 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES

The Group and the Company apply the significant accounting policies set out below, consistently throughout all periods presented in the financial statements unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiary companies

Subsidiary companies are all entities (including structured entities) over which the Group has control. 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. Subsidiary companies are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary company is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed off in profit or loss as incurred.

If the business combination is achieved in stages, the acquirer's previously held equity interest in the acquiree is re-measured at its acquisition-date fair value and the resulting gain or loss is recognised in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (which cannot exceed one year from the acquisition date), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date, if known, would have affected the amounts recognised at that date.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 9 *Financial Instruments* is measured at fair value with the changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated. Unrealised losses are eliminated only if there is no indication of impairment. Where necessary, accounting policies of subsidiary companies have been changed to ensure consistency with the policies adopted by the Group.

In the Company's separate financial statements, investment in subsidiary companies are stated at cost less accumulated impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts are recognised in profit or loss. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. See accounting policy Note 3(p)(i) on impairment of non-financial assets.

Notes To The Financial Statements
31 March 2022 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of consolidation (Cont'd)

(ii) Changes in ownership interests in subsidiary companies without change in control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary company is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(iii) Disposal of subsidiary companies

If the Group loses control of a subsidiary company, the assets and liabilities of the subsidiary company, including any goodwill, and non-controlling interests are derecognised at their carrying value on the date that control is lost. Any remaining investment in the entity is recognised at fair value. The difference between the fair value of consideration received and the amounts derecognised and the remaining fair value of the investment is recognised as a gain or loss on disposal in profit or loss. Any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

(iv) Goodwill on consolidation

The excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total consideration transferred, non-controlling interest recognised and previously held interest measured at fair value is less than the fair value of the net assets of the subsidiary company acquired (ie. a bargain purchase), the gain is recognised in profit or loss.

Following the initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment annually or more frequent when there is objective evidence that the carrying value may be impaired. See accounting policy Note 3(p)(i) on impairment of non-financial assets.

(b) Investment in associates

An associate is an entity over which the Group and the Company have significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not controlled or joint controlled over those policies.

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

Notes To The Financial Statements
31 March 2022 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Investment in associates (Cont'd)

An associate is accounted for either at cost or equity method as described in MFRS 128 from the date on which the investee becomes an associate. Under the equity method, on initial recognition the investment in an associate is recognised at cost, and the carrying amount is increased or decreased to recognise the Group's share of profit or loss and other comprehensive income of the associates after the date of acquisition. When the Group's share of losses in an associate equals or exceeds its interest in the associates, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

Profits or losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's consolidated financial statements only to the extent of unrelated investors' interests in the associate. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the assets transferred.

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

The requirements of MFRS 136 *Impairment of Assets* are applied to determine whether it is necessary to recognise any additional impairment loss with respect to its net investment in the associate. When necessary, the entire carrying amount of the investment is tested for impairment in accordance with MFRS 136 as a single asset, by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss is recognised in profit or loss. Reversal of an impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

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

In the Company's separate financial statements, investment in associates are stated at cost less accumulated impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts are recognised in profit or loss. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. See accounting policy Note 3(p)(i) on impairment of non-financial assets.

(c) Foreign currency translation

(i) Foreign currency translations and balances

Transactions in foreign currency are recorded in the functional currency of the respective group entities using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are included in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operation. These are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss. Exchange differences arising on monetary items that form part of the Company's net investment in foreign operation are recognised in profit or loss in the Company's financial statements or the individual financial statements of the foreign operation, as appropriate.

Notes To The Financial Statements
31 March 2022 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Foreign currency translation (Cont'd)

(i) Foreign currency translations and balances (Cont'd)

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

(ii) Foreign operations

The assets and liabilities of foreign operations denominated in functional currencies other than RM, including goodwill and fair value adjustments arising on acquisition, are translated to RM at the rate of exchange prevailing at the reporting date, except for goodwill and fair value adjustments arising from business combinations before 1 January 2012 (the date of transition to MFRS) which are treated as assets and liabilities of the Company. The income and expenses of foreign operations, excluding foreign operations in hyperinflationary economies, are translated to RM at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve ("FCTR") in equity. However, if the operation is a non-wholly owned subsidiary company, then the relevant proportionate share of the translation difference is allocated to the noncontrolling interests. When a foreign operation is disposed off such that control, significant influence or joint control is lost, the cumulative amount in the FCTR related that foreign operations reclassified to profit or loss as part of the gain or loss on disposal.

When the Group disposes of only part of its interest in a subsidiary company that includes a foreign operation, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

(d) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The policy of recognition and measurement of impairment losses is in accordance with Note 3(p)(i) on impairment on non-financial assets.

(i) Recognition and measurement

Cost includes expenditures that are directly attributable to the acquisition of the assets and any other costs directly attributable to bringing the asset to working condition for its intended use, cost of replacing component parts of the assets, and the present value of the expected cost for the decommissioning of the assets after their use. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. All other repair and maintenance costs are recognised in profit or loss as incurred.

Notes To The Financial Statements
31 March 2022 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Property, plant and equipment (Cont'd)

(i) Recognition and measurement (Cont'd)

The cost of property, plant and equipment recognised as a result of a business combination is based on fair value at acquisition date. The fair value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The fair value of other items of plant and equipment is based on the quoted market prices for similar items.

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

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

(iii) Depreciation

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

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

Buildings and improvements	50 - 99 years
Plant and machinery	4 - 10 years
Motor vehicles	5 years
Furniture, fittings and office equipment	5 - 10 years
Renovation	10 years
Workshop cum site office	22 - 50 years
Work in progress	Not depreciated until available for use

Spare parts which are held for use in the production or supply of goods are expected to be used during more than one period, and thus are classified under property, plant and equipment. The cost will be charged out to profit or loss when utilised.

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

Notes To The Financial Statements
31 March 2022 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Leases

(i) As lessee

The Group and the Company recognise a ROU ("right-of-use") asset and a lease liability at the lease's commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received.

The ROU asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment loss and, if applicable, adjusted for any remeasurement of lease liabilities. The policy of recognition and measurement of impairment losses is in accordance with Note 3(p)(i) to the financial statements.

The ROU asset under cost model is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful lives of the ROU asset or the end of the lease term. The estimated useful lives of the ROU assets determined on the same basis as those of property, plant and equipment are as follows:

Leasehold land and buildings	Over the remaining lease period
Plant and machinery	5 - 12½ years

The ROU assets are subject to impairment. Policies on impairment of right-of-use assets are as disclosed in Note 3(p)(i).

The lease liability is initially measured at the present value of future lease payments at the commencement date, discounted using the respective group entities' incremental borrowing rates. Lease payments included in the measurement of the lease liability include fixed payments, any variable lease payments, amount expected to be payable under a residual value guarantee, and exercise price under an extension option that the Group and the Company are reasonably certain to exercise.

Variable lease payments that do not depend on an index or a rate and are dependent on a future activity are recognised as expenses in profit or loss in the period in which the event or condition that triggers the payment occurs.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in rate, or if the Group and the Company change its assessment of whether it will exercise an extension or termination option.

Lease payments associated with short term leases and leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Short term leases are leases with a lease term of 12 months or less and do not contain a purchase option.

Notes To The Financial Statements
31 March 2022 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Leases (Cont'd)

(ii) As lessor

When the Group and the Company act as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. Leases in which the Group and the Company do not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases.

If the lease arrangement contains lease and non-lease components, the Group and the Company apply MFRS 15 *Revenue from Contracts with Customers* to allocate the consideration in the contract based on the stand-alone selling price.

The Group and the Company recognise assets held under a finance lease in its statement of financial position and presents them as a receivable at an amount equal to the net investment in the lease. The Group and the Company use the interest rate implicit in the lease to measure the net investment in the lease.

The Group and the Company recognise lease payments under operating leases as income on a straight-line basis over the lease term unless another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished. The lease payment recognised is included as part of "Other income". Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(f) Investment properties

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

The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property.

Investment properties are depreciated on a straight-line basis to write down the cost of each asset to their residual values over their estimated useful lives. The Leasehold buildings are depreciation over the remaining period of the lease.

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. See accounting policy Note 3(p)(i) on impairment of non-financial assets.

Investment properties are derecognised upon disposal or when they are permanently withdrawn from use and no future economic benefits are expected from their disposal. Upon disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the profit or loss.

Notes To The Financial Statements
31 March 2022 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Investment properties (Cont'd)

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner occupied property becomes an investment property, the Group and the Company account for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

(g) Quarry development expenditure

Quarry development expenditure comprises direct cost of development, cost of site infrastructure and other related expenses. Quarry development expenditure is amortised upon commencement of rock extraction activities. Amortisation is calculated by equal annual amounts over their estimated useful lives which is based on estimated probable mineral reserves. The quarry development expenditure is written off immediately to profit or loss to the extent that the unamortised balance is no longer probable of being recovered.

(h) Financial assets

Recognition and initial measurement

Financial assets are recognised in the statements of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the financial instrument.

At initial recognition, the Group or the Company measures a financial asset at its fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance of the financial instruments. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial instrument categories and subsequent measurement

The Group and the Company determine the classification of financial assets at initial recognition and are not reclassified subsequent to their initial recognition unless the Group or the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

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

For purposes of subsequent measurement, financial assets are classified into the following categories:

(i) Financial assets at amortised cost

The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

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

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

Notes To The Financial Statements
31 March 2022 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Financial assets (Cont'd)

Financial instrument categories and subsequent measurement (Cont'd)

(i) Financial assets at amortised cost (Cont'd)

Financial assets at amortised cost are subsequently measured using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Any gain and loss on derecognition are recognised in profit or loss.

The Group's and the Company's financial assets at amortised cost include trade and other receivables, amount due from subsidiary companies and associates, fixed deposits with licensed banks and cash and bank balances.

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

All financial assets not classified as measured at amortised cost or FVTOCI are measured at FVTPL. This includes derivative financial assets (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument). On initial recognition, the Group or the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets categorised as FVTPL are subsequently measured at their fair value. Net gains or losses, including any interest or dividend income are recognised in the profit or loss.

(iii) Financial assets at fair value through other comprehensive income

The Group and the Company have not designated any financial assets at FVTOCI.

All financial assets, except for those measured at FVTPL and equity investments measured at FVTOCI, are subject to impairment assessment as disclosed in Note 3(p)(ii).

Regular way purchase or sale of financial assets

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases or sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group and the Company commit to purchase or sell the asset.

Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to receive cash flows from the financial asset expire is transferred, or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount of the financial assets and the sum of consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

Notes To The Financial Statements
31 March 2022 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Financial liabilities

Recognition and initial measurement

Financial liabilities are recognised in the statements of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the financial instrument.

At initial recognition, the Group or the Company measures a financial liability at its fair value and, in the case of at amortised cost, net of directly attributable transaction costs.

The Group's and the Company's financial liabilities include trade and other payables, amount due to subsidiary companies and loans and borrowings.

Financial instrument categories and subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

(i) Financial liabilities at amortised cost

Financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

The Group and the Company's financial liabilities designated as amortised cost comprise trade and other payables, amount due to subsidiary companies and loans and borrowings.

Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

The Group and the Company have not designated any financial liabilities at FVTPL.

Derecognition

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

Notes To The Financial Statements
31 March 2022 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs when the guaranteed debtor fails to make payment when due.

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. If the debtor fails to make payment relating to financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of:

(i) the best estimate of the expenditure required to settle the present obligation at the reporting date; and

(ii) the amount initially recognised less cumulative amortisation.

Liabilities arising from financial guarantees are presented together with other provisions.

(k) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(l) Inventories

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

(i) Land held for property development

Land held for property development consists of purchase price of land, professional fees, stamp duties, commissions, conversion fees, other relevant levies and direct development cost incurred in preparing the land for development.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated cost necessary to make the sale. If net realisable value cannot be determined reliably, these inventories will be stated at the lower of cost or fair value less costs of to sell. Fair value is the amount the inventory can be sold in an arm's length transaction.

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

Land held for property development is transferred to property development costs under current assets when development activities have commenced and are expected to be completed within the normal operating cycle.

Notes To The Financial Statements
31 March 2022 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Inventories (Cont'd)

(ii) Property development costs

Cost is determined based on specific identification basis. Property development costs comprise costs of land, professional fees, direct materials, direct labour, other direct costs, attributable overhead, payments to subcontractors and borrowing costs capitalised for qualifying assets that incurred during the development period. The asset is subsequently recognised as an expense in profit or loss when and as the control of the asset is transferred to the customer.

Property development costs attributable to unsold properties, upon completion, are transferred to completed properties held for sale.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable selling expenses.

(iii) Other inventories

Cost is determined on a first-in-first-out basis. Cost of raw materials and packaging materials consists of purchase plus the cost of bringing the inventories to their present location and condition. The cost of bituminous products includes cost of direct material, direct labour and an appropriate proportion of production overheads (based on normal operating capacity).

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(m) Construction contracts

Construction contracts are contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and functions or their ultimate purpose or use.

Cost incurred to fulfil the contracts, comprising cost of direct materials, direct labour, other direct costs, attributable overheads and payments to subcontractors are recognised as an asset and amortised over to profit or loss systematically to reflect the transfer of the contracted service to the customer.

The Group uses the efforts or inputs to the satisfaction of the performance obligations to determine the appropriate amount to recognise in a given period. This is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred in the financial year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. They are presented as inventories, prepayments or other assets, depending on their nature. When the carrying amount of the asset exceeds the remaining amount of consideration that the Group expects to receive in exchange of the contracted asset, an impairment loss is recognised in profit or loss.

The Group presents as an asset the gross amount due from customers for contract work-in-progress for which costs incurred plus recognised profits (less recognised losses) exceed contract liabilities. Contract liabilities not yet paid by customers and retention monies are included within receivables and contract assets. The Group presents as a liability the gross amount due to customers for contract work for all contracts in progress for which contract liabilities exceed cost incurred plus recognised profits (less recognised losses).

Notes To The Financial Statements
31 March 2022 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(n) Intangible assets

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair values at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

See accounting policy Note 3(p)(i) on impairment of non-financial assets for intangible assets.

(o) Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, bank balances, bank overdrafts and deposits with banks and highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

(p) Impairment of financial assets

(i) Non-financial assets

The carrying amounts of non-financial assets (except for inventories and deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives, or that are not yet available for use, the recoverable amount is estimated each period at the same time.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a cash-generating unit or a group of cash generating units that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or cash generating unit exceeds its estimated recoverable amount. Impairment loss is recognised in profit or loss.

Notes To The Financial Statements
31 March 2022 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(p) Impairment of financial assets (Cont'd)

(i) Non-financial assets (Cont'd)

An impairment loss is recognised if the carrying amount of an asset or cash generating unit exceeds its estimated recoverable amount. Impairment loss is recognised in profit or loss. Impairment losses recognised in respect of cash generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash generating unit (group of cash-generating units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for asset in prior years. Such reversal is recognised in the profit or loss.

(ii) Financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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

For trade receivables, other receivables and inter-company balances, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience and the economic environment.

<u>Financial assets carried at amortised cost</u>

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the receivable and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with defaults on receivables.

Notes To The Financial Statements
31 March 2022 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(p) Impairment of financial assets (Cont'd)

If any such evidence exists, the amount of impairment loss is measured as the difference between the assets' carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of impairment loss is recognised in profit or loss. Receivables together with the associated allowance are written off when there is no realistic prospect of future recovery.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised in profit or loss, the impairment loss is reversed, to the extent that the carrying amount of the asset does not exceed what the carrying amount would have been had the impairment not been recognised at the date the impairment is reversed. The amount of reversal is recognised in profit or loss.

(q) Share capital

(i) Ordinary shares

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are equity instruments. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity.

Dividend distribution to the Company's shareholders is recognised as a liability in the period they are approved by the Board of Directors except for the final dividend which is subject to approval by the Company's shareholders.

(ii) Treasury shares

When issued share of the Company are repurchased, the amount of the consideration paid, including directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares in the statements of changes in equity. No gain or loss is recognised in profit or loss on the sale, re-issuance or cancellation of the treasury shares.

When treasury shares are distributed as share dividends, the cost of the treasury shares is applied as a reduction of the share premium account or the distributable retained earnings or both.

When treasury shares are sold or reissued subsequently, the difference between the sales consideration net of directly attributable costs and the carrying amount of the treasury shares is recognised in equity.

(r) Contingencies

Where it is not probable that an inflow or an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the asset or the obligation is disclosed as a contingent asset or contingent liability, unless the probability of inflow or outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets or contingent liabilities unless the probability of inflow or outflow of economic benefits is remote.

Notes To The Financial Statements
31 March 2022 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(s) Employee benefits

(i) Short-term employee benefits

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

The expected cost of accumulating compensated absences is measured as additional amount expected to be paid as a result of the unused entitlement that has accumulated at the end of the reporting period.

(ii) Defined contribution plans

As required by law, companies in Malaysia contribute to the state pension scheme, the Employee Provident Fund ("EPF"). Such contributions are recognised as an expense in the profit or loss as incurred. Once the contributions have been paid, the Group and of the Company have no further payment obligations.

(t) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the assets, which are assets that necessarily take a substantial period of time to get ready for theirs intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowing spending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(u) Revenue

(i) Revenue from contracts with customers

Revenue is recognised when the Group and the Company satisfied a performance obligation (""PO"") by transferring a promised good or services to the customer, which is when the customer obtains control of the good or service. A PO may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied PO.

Notes To The Financial Statements
31 March 2022 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(u) Revenue (Cont'd)

(i) Revenue from contracts with customers (Cont'd)

The Group and the Company recognise revenue from the following major sources:

Sales of goods

Revenue is measured at the fair value of consideration received or receivable, net of returns and allowances, trade discount and volume rebates. Revenue from sale of goods is recognised when significant risks and rewards of ownership of the goods have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

Revenue from construction contracts

The Group recognises revenue from construction contracts over time when control over the asset has been transferred to the customers. The assets have no alternative use to the Group due to contractual restriction and the Group has an enforceable right to payment for performance completed to date. Revenue from construction contracts is measured at the transaction price agreed under the construction contracts.

The Group recognises revenue over time using the input method, which is based on the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred in the financial year in connection with future activity on a contract are excluded from the contract costs in determining the stage of completion. Such costs are presented as contract assets.

Revenue from management fee

Revenue from management fee is recognised on the accrual basis when services are rendered, unless collectability is in doubt.

(ii) Interest income

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

(iii) Rental income

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

Notes To The Financial Statements
31 March 2022 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(v) Income taxes

Tax expense in profit or loss comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the financial year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised using the liability method for all temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax is based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(w) Segments reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-makers are responsible for allocating resources and assessing performance of the operating segments and make overall strategic decisions. The Group's operating segments are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

Notes To The Financial Statements
31 March 2022 (Cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(x) Assets Classified as Held For Sale and discontinued operations

(i) Assets Classified as Held For Sale

Non-current assets (or disposal group) classified as held for sale are measure at the lower of carrying amount and fair value less cost to sell.

Non-current assets (or disposal group) are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use.

This is the case, when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal groups) and the sale is considered to be highly probable.

A sale is considered to be highly probable if the appropriate level of management is committed to a plan to sell the asset (or disposal group), and an active programme to locate a buyer and complete the plan has been initiated. Further, the asset (or disposal group) has been actively marketed for sale at a price that is reasonable in relation to its current fair value. In addition, the sale is expected to qualify for recognition as a completed sale within one (1) year from the date that it is classified as held for sale.

(ii) Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which;

- represents a separate major line of business of geographical area of operations;
- is part of a single co-ordinated plan to dispose a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs on disposal or when the operation meets the criteria to be classified as held-for-sale, if earlier.

When an operation is classified as a discontinued operation, the comparative statement of comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative year.

Notes To The Financial Statements
31 March 2022 (Cont'd)

4. REVENUE

	Group		Company	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Revenue from contracts with customers				
Sale of goods	20,796,488	15,168,220	-	-
Sale of services	7,514,934	519,715	-	-
Construction contracts	55,511,250	78,748,071	-	-
Management fees	-	-	2,178,000	1,764,000
	83,822,672	94,436,006	2,178,000	1,764,000
Revenue from other sources				
Rental income	70,770	60,185	-	-
Other services	1,497,508	524,639	-	-
	1,568,278	584,824	-	-
	85,390,950	95,020,830	2,178,000	1,764,000
Timing of revenue recognition				
At a point in time	61,175,372	15,687,935	2,178,000	1,764,000
Over time	22,647,300	78,748,071	-	-
Total revenue from contracts with customers	83,822,672	94,436,006	2,178,000	1,764,000
Total revenue from other sources	1,568,278	584,824	-	-
	85,390,950	95,020,830	2,178,000	1,764,000

Notes To The Financial Statements
31 March 2022 (Cont'd)

4. REVENUE (CONT'D)

Disaggregation of the Group's revenue from contracts with customers:

	Quarry product RM	Civil engineering RM	Bituminous products RM	Services RM	Total RM
2022					
Major services					
Sale of goods	3,202,391	-	15,161,147	2,432,950	20,796,488
Sale of services	-	-	-	7,514,934	7,514,934
Construction contracts	-	55,511,250	-	-	55,511,250
	3,202,391	55,511,250	15,161,147	9,947,884	83,822,672
Geographical market					
Indonesia	-	-	2,046,814	-	2,046,814
Malaysia	3,202,391	55,511,250	5,806,507	9,947,884	74,468,032
Taiwan	-	-	2,105,241	-	2,105,241
Others	-	-	5,202,585	-	5,202,585
	3,202,391	55,511,250	15,161,147	9,947,884	83,822,672
Timing of revenue recognition					
At a point in time	3,202,391	32,863,950	15,161,147	9,947,884	61,175,372
Over time	-	22,647,300	-	-	22,647,300
Total revenue from contracts with customers	3,202,391	55,511,250	15,161,147	9,947,884	83,822,672
Total revenue from other sources	-	-	-	1,568,278	1,568,278
Total revenue	3,202,391	55,511,250	15,161,147	11,516,162	85,390,950

Notes To The Financial Statements
31 March 2022 (Cont'd)

4. REVENUE (CONT'D)

Disaggregation of the Group's revenue from contracts with customers: (Cont'd)

	Quarry product RM	Civil engineering RM	Bituminous products RM	Services RM	Total RM
2021					
Major services					
Sale of goods	3,768,201	-	11,400,019	-	15,168,220
Sale of services	-	-	-	519,715	519,715
Construction contracts	-	54,935,555	-	23,812,516	78,748,071
	3,768,201	54,935,555	11,400,019	24,332,231	94,436,006
Geographical market					
Malaysia	3,768,201	54,935,555	11,400,019	24,332,231	94,436,006
Timing of revenue recognition					
At a point in time	3,768,201	-	11,400,019	519,715	15,687,935
Over time	-	54,935,555	-	23,812,516	78,748,071
Total revenue from contracts with customers	3,768,201	54,935,555	11,400,019	24,332,231	94,436,006
Total revenue from other sources	-	524,639	-	60,185	584,824
Total revenue	3,768,201	55,460,194	11,400,019	24,392,416	95,020,830

5. FINANCE COSTS

	Group 2022 RM	Group 2021 RM Restated	Company 2022 RM	Company 2021 RM Restated
Interest expenses on:				
Bank overdrafts	188,744	128,763	-	-
Bankers' acceptance/Trust receipts	75,088	45,665	-	-
Hire purchase	71,603	138,390	1,815	2,754
Lease liabilities	174,889	251,734	6,833	21,953
Term loans	545,112	397,013	-	-
Others	94,849	7,078	59,691	87,925
	1,150,285	968,643	68,339	112,632

Notes To The Financial Statements
31 March 2022 (Cont'd)

6. (LOSS)/PROFIT BEFORE TAX

(Loss)/Profit before tax is determined after charging/(crediting) amongst others, the following items:

	Group		Company	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Amortisation on:				
- quarry development expenditure	18,895	-	-	-
- right-of-use assets	547,032	411,916	246,056	246,058
Auditors' remuneration				
- statutory audit	185,000	176,000	50,000	50,000
- non-statutory	10,000	5,000	5,000	5,000
Bad debts recovered	-	(174,949)	-	(1,200)
Depreciation of:				
- investment properties	20,592	127,752	-	-
- property, plant and equipment	1,706,172	1,605,451	140,648	128,125
Foreign exchange (gain)/loss:				
- realised	14	(72,163)	14	-
- unrealised	-	(96,502)	-	-
Impairment losses on:				
- trade receivables	4,609,143	33,460	-	-
- other receivables	1,083,642	53,443	-	-
- amount due from subsidiary companies	-	-	224,132	1,211,858
- investment in subsidiary companies	-	-	3,687,793	-
- intangible assets	552,266	-	-	-
- assets held for sales	4,244,391	-	-	-
Non-executive Directors' remunerations				
- fees	200,150	235,333	200,150	191,833
- other emoluments	122,500	72,000	122,500	-
Property, plant and equipment written off	-	-	-	-
Rental expenses:				
- motor vehicles and plant and machinery	54,543	235,645	-	142,280
- office equipment	16,286	10,374	7,786	1,864
- premises	13,800	12,000	-	-
- store	88,600	65,372	60,000	60,000
- others	59,300	29,350	-	-
Quit rent	23,815	154,031	6,552	5,860
Gain on disposal of property, plant and equipment	(622,043)	(300,474)	-	(193,600)
(Gain)/Loss on disposal of subsidiary companies	(1,102,049)	2	-	-
Interest income	(153,763)	(258,075)	(43,882)	(86,410)
Rental income:				
- investment properties	(85,200)	(126,365)	-	-
- motor vehicles	(91,117)	(4,093)	(42,000)	(42,000)

Notes To The Financial Statements
31 March 2022 (Cont'd)

6. PROFIT/(LOSS) BEFORE TAX (CONT'D)

Profit/(Loss) before tax is determined after charging/(crediting) amongst others, the following items: (Cont'd)

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Reversal of impairment losses on trade receivables	(236,642)	(120,402)	-	-
Reversal of impairment losses on other receivables	(355,448)	(1,062,697)	-	-
Reversal of impairment losses on amount due from subsidiary companies	-	-	(1,782,107)	(2,589,164)
Reversal of impairment losses on investment in subsidiary companies	-	-	(6,600,000)	(102)

7. TAXATION

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Tax expenses recognised in profit or loss				
Malaysian income tax				
- Current tax provision	681,590	3,359,487	-	-
- Over provision in prior years	(243,857)	(300,906)	-	-
	437,733	3,058,581	-	-
Deferred taxation				
- Relating to origination and reversal of temporary differences	110,116	(54,250)		-
- Over provision in prior years	304,349	114,393		-
	414,465	60,143	-	-
	852,198	3,118,724	-	-

Malaysian income tax is calculated at the statutory tax rate of 24% (2021: 24%) of the estimated assessable profits for the financial year.

A reconciliation of income tax expenses applicable to (loss)/profit before tax at the statutory tax rate to income tax expenses at the effective income tax rate of the Group and of the Company are as follows:

Notes To The Financial Statements
31 March 2022 (Cont'd)

7. TAXATION (CONT'D)

	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
(Loss)/Profit before tax	(24,339,887)	4,015,969	(10,755,719)	(6,461,571)
At Malaysian statutory tax rate of 24% (2021: 24%)	(5,841,573)	963,833	(2,581,373)	(1,550,777)
Expenses not deductible for tax purposes	2,200,087	1,635,055	1,013,911	751,405
Income not subject to tax	(2,015,816)	(1,182,539)	(2,012,425)	(723,237)
Deferred tax assets not recognised	6,509,401	1,888,888	3,579,887	1,522,609
Utilisation of previously unrecognised deferred tax assets	(60,393)	-	-	-
Over provision of income tax in prior years	(243,857)	(300,906)	-	-
Under provision of deferred tax in prior years	304,349	114,393	-	-
Tax expenses for the financial year	852,198	3,118,724	-	-

The Group and the Company have unutilised capital allowances, unutilised tax losses and unutilised reinvestment allowances available for carry forward to set-off against future taxable profits. The said amounts are subject to approval by the tax authorities.

	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
Unutilised capital allowances	10,332,116	9,479,982	948,240	825,612
Unutilised tax losses	74,718,259	48,699,528	31,887,898	18,416,338
Unutilised reinvestment allowances	38,093	38,093	-	-
	85,088,468	58,217,603	32,836,138	19,241,950

Notes To The Financial Statements
31 March 2022 (Cont'd)

8. (LOSS)/PROFIT PER SHARE

Basic (loss)/profit per share

The basic (loss)/profit per share are calculated based on the consolidated (loss)/profit for the financial year attributable to owners of the parent and the weighted average number of ordinary shares in issue during the financial year as follows:

	Group	
	2022 RM	**2021 RM**
Continuing operation:		
(Loss)/profit attributable to owners of the parent	(22,158,535)	923,818
Discontinued operation		
Loss attributable to owners of the parent	(7)	(208,438)
Weighted average number of ordinary shares:		
Ordinary shares in issue at 1 April	1,165,613,800	921,574,900
Effect of ordinary shares issued during the financial year	-	244,038,900
Effect of issuance of irredeemable convertible preference shares	582,664,397	
Weighted average number of ordinary shares at 31 March	1,748,278,197	1,165,613,800
Basic (loss)/profit per ordinary share (sen)		
- continuing operations	(1.90)	0.09
- discontinuing operation	(0.01)	(0.01)
Diluted (loss)/profit per ordinary share (sen)		
- continuing operations	(1.27)	0.09
- discontinuing operation	(0.01)	(0.01)

9. STAFF COSTS

	Group		Company	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Fees	200,150	235,333	200,150	191,833
Salaries, wages and other emoluments	12,675,431	12,355,981	7,307,318	6,684,641
Defined contribution plans	1,431,916	1,201,338	886,233	681,298
Social security contributions	66,847	57,502	17,990	15,203
Others benefits	886,730	652,881	228,447	160,258
	15,261,074	14,503,035	8,640,138	7,733,233

Notes To The Financial Statements
31 March 2022 (Cont'd)

9. STAFF COSTS (CONT'D)

Included in staff costs is aggregate amount of remuneration received and receivables by the Executive Directors of the Company and of its subsidiary companies during the financial year as below:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Executive Directors of the Company				
Salaries, wages and other emoluments	5,770,952	5,212,249	5,770,952	5,212,249
Defined contribution plans	649,325	543,534	649,325	543,534
Other benefits	-	20,663	-	20,663
	6,420,277	5,776,446	6,420,277	5,776,446
Executive Directors of the subsidiary companies				
Salaries, wages and other emoluments	438,519	444,750	-	-
Defined contribution plans	48,874	49,435	-	-
Other benefits	8,300	8,300	-	-
	495,693	502,485	-	-
Total remuneration of Executive Directors				
Company's Directors	6,420,277	5,776,446	6,420,277	5,776,446
Subsidiary company's Directors	495,693	502,485	-	-
	6,915,970	6,278,931	6,420,277	5,776,446

Notes To The Financial Statements
31 March 2022 (Cont'd)

10. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land RM	Buildings and improvements RM	Plant and machinery RM	Motor vehicles RM	Furniture, fitting and office equipment and renovation RM	Workshop cum site office RM	Work in progress RM	Total RM
2022								
Cost								
At 1 April 2021	1,793,698	11,316,679	16,681,258	1,836,754	3,633,073	-	18,889,662	54,151,124
Additions	-	-	2,889,406	132,301	1,578,782	-	27,879,491	32,479,980
Disposals	-	-	(4,582,501)	-	(133,835)	-	-	(4,716,336)
At 31 March 2022	1,793,698	11,316,679	14,988,163	1,969,055	5,078,020	-	46,769,153	81,914,768
Accumulated depreciation								
At 1 April 2021	-	1,265,417	12,088,741	1,509,239	2,308,076	-	-	17,171,473
Charge for the financial year		138,728	704,855	152,787	709,802	-	-	1,706,172
Disposals	-		(2,357,388)	-	(95,747)	-	-	(2,453,135)
At 31 March 2022	-	1,404,145	10,436,208	1,662,026	2,922,131	-	-	16,424,510
Accumulated impairment								
At 1 April 2021	-	-	461,230	-	17,045			478,275
Disposal			(446,514)		(17,045)			(463,559)
At 31 March 2022	-	-	14,716	-	-	-	-	14,716
Carrying amount								
At 31 March 2022	1,793,698	9,912,534	4,537,239	307,029	2,155,889	-	46,769,153	65,475,542

Notes To The Financial Statements
31 March 2022 (Cont'd)

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

Group	Freehold land RM	Buildings and improvements RM	Plant and machinery RM	Motor vehicles RM	Furniture, fitting and office equipment and renovation RM	Workshop cum site office RM	Work in progress RM	Total RM
2021								
Cost								
At 1 April 2020	1,793,698	11,316,679	31,628,396	4,916,517	2,789,513	190,730	-	52,635,533
Additions	-	-	1,813,960	148,676	80,556	-	18,889,662	20,932,854
Arising from acquisition of subsidiary company	-	-	-	-	1,067,606	-	-	1,067,606
Disposals	-	-	(71,991)	(1,565,517)	-	-	-	(1,637,508)
Transfer to assets held for sale (Note 25)	-	-	(16,689,107)	(1,662,922)	(304,602)	(190,730)		(18,847,361)
At 31 March 2021	1,793,698	11,316,679	16,681,258	1,836,754	3,633,073	-	18,889,662	54,151,124
Accumulated depreciation								
At 1 April 2020	-	1,126,690	24,265,208	3,751,033	1,589,727	58,808	-	30,791,466
Arising from acquisition of subsidiary company	-	-	-	-	648,619	-	-	648,619
Charge for the financial year	-	138,727	1,460,673	314,050	166,753	9,536	-	2,089,739
Disposals	-	-	(71,991)	(1,452,390)	-	-	-	(1,524,381)
Transfer to assets held for sale (Note 25)	-	-	(13,565,149)	(1,103,454)	(97,023)	(68,344)	-	(14,833,970)
At 31 March 2021	-	1,265,417	12,088,741	1,509,239	2,308,076	-	-	17,171,473
Accumulated impairment								
At 1 April 2020/31 March 2021	-	-	461,230	-	17,045	-	-	478,275
Carrying amount								
At 31 March 2021	1,793,698	10,051,262	4,131,287	327,515	1,307,952	-	18,889,662	36,501,376

Notes To The Financial Statements
31 March 2022 (Cont'd)

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

Company

	Motor vehicles RM	Furniture, fittings and office equipment RM	Total RM
2022			
Cost			
At 1 April 2021	200,000	1,673,130	1,873,130
Additions	-	154,567	154,567
At 31 March 2022	200,000	1,827,697	2,027,697
Accumulated depreciation			
At 1 April 2021	166,667	1,029,198	1,195,865
Charge for the financial year	33,333	107,315	140,648
At 31 March 2022	200,000	1,136,513	1,336,513
Carrying amount			
At 31 March 2022	-	691,184	691,184
2021			
Cost			
At 1 April 2020	909,254	1,625,958	2,535,212
Additions	-	47,172	47,172
Disposals	(709,254)	-	(709,254)
At 31 March 2021	200,000	1,673,130	1,873,130
Accumulated depreciation			
At 1 April 2020	835,922	941,072	1,776,994
Charge for the financial year	39,999	88,126	128,125
Disposals	(709,254)	-	(709,254)
At 31 March 2021	166,667	1,029,198	1,195,865
Carrying amount			
At 31 March 2021	33,333	643,932	677,265

Notes To The Financial Statements
31 March 2022 (Cont'd)

10 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(a) The carrying amount of property, plant and equipment of the Group and the Company held under hire purchase arrangement are as follows:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Motor vehicles	277,767	269,506	-	33,333
Plant and machinery	3,626,708	2,034,200	-	-
Office equipment	156,972	-	59,221	-
	4,061,447	2,303,706	59,221	33,333

Leased assets are pledged as security for the related finance lease liabilities as disclosed in Note 29(b).

(b) The carrying amount of property, plant and equipment of the Group pledged as securities to licensed banks for credit facilities granted as disclosed in Note 29(a)(i) are as follows:

	Group	
	2022 RM	2021 RM
Freehold land	1,793,698	1,793,698
Buildings and improvements	8,938,432	10,508,883
	10,732,130	12,302,581

(c) The aggregate additional cost for the property, plant and equipment of the Group and the Company during the financial year acquired under finance lease financing and cash payments are as follows:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Aggregate costs	32,479,980	20,932,854	154,567	47,172
Less: Finance lease financing	(2,765,388)	-	(71,388)	-
Cash payments	29,714,592	20,932,854	83,179	47,172

Notes To The Financial Statements
31 March 2022 (Cont'd)

11. RIGHT-OF-USE ASSETS

Group

	Motor vehicle RM	Office RM	Office equipment RM	Land RM	Leasehold building RM	Total RM
2022						
Cost						
At 1 April 2021	-	200,011	90,243	-	11,834,724	12,124,978
Additions	-	137,860	-	-	-	137,860
Transfer to assets held for sale (Note 25)	-	-	-	-	(7,510,000)	(7,510,000)
At 31 March 2022	-	337,871	90,243	-	4,324,724	4,752,838
Accumulated depreciation						
At 1 April 2021	-	91,510	72,195	-	457,625	621,330
Charge for the financial year	-	134,470	18,048	-	394,514	547,032
Transfer to assets held for sale (Note 25)	-	-	-	-	(374,132)	(374,132)
At 31 March 2022	-	225,980	90,243	-	478,007	794,230
Carrying amount						
At 31 March 2022	-	111,891	-	-	3,846,717	3,958,608

Notes To The Financial Statements
31 March 2022 (Cont'd)

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

Group

	Motor vehicle RM	Office RM	Office equipment RM	Land RM	Leasehold building RM	Total RM
2021						
Cost						
At 1 April 2020	331,710	1,081,757	90,243	162,654	7,502,227	9,168,591
Additions	-	774,527	-	163,259	4,365,988	5,303,774
Transfer to assets held for sale (Note 25)	-	(1,062,478)	-	(325,913)	-	(1,388,391)
Disposals	(331,710)	(593,795)	-	-	(33,491)	(958,996)
At 31 March 2021	-	200,011	90,243	-	11,834,724	12,124,978
Accumulated depreciation						
At 1 April 2020	262,640	618,120	54,145	145,485	177,598	1,257,988
Charge for the financial year	-	114,554	18,050	7,765	302,355	442,724
Transfer to assets held for sale (Note 25)	-	(443,232)	-	(153,250)	-	(596,482)
Disposals	(262,640)	(197,932)	-	-	(22,328)	(482,900)
At 31 March 2021	-	91,510	72,195	-	457,625	621,330
Carrying amount						
At 31 March 2021	-	108,501	18,048	-	11,377,099	11,503,648

Notes To The Financial Statements
31 March 2022 (Cont'd)

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

Company

	Office RM	Office equipment RM	Total RM
2022			
Cost			
At 1 April 2021	653,947	90,243	744,190
Accumulated amortisation			
At 1 April 2021	425,939	72,195	498,134
Charge for the financial year	228,008	18,048	246,056
At 31 March 2022	653,947	90,243	744,190
Carrying amount			
At 31 March 2022	-	-	-
2021			
Cost			
At 1 April 2020	593,795	90,243	684,038
Additions	60,152	-	60,152
At 31 March 2021	653,947	90,243	744,190
Accumulated amortisation			
At 1 April 2020	197,931	54,145	252,076
Charge for the financial year	228,008	18,050	246,058
At 31 March 2021	425,939	72,195	498,134
Carrying amount			
At 31 March 2021	228,008	18,048	246,056

Notes To The Financial Statements
31 March 2022 (Cont'd)

12. INVESTMENT PROPERTIES

	Group	
	2022 RM	**2021 RM**
At 1 April	11,141,329	11,141,329
Transfer to asset held for sale (Note 25)	(9,430,000)	-
At 31 March	1,711,329	11,141,329
Accumulated depreciation		
At 1 April	325,288	197,536
Charge for the financial year	20,592	127,752
Transfer to asset held for sale (Note 25)	(214,318)	-
At 31 March	131,562	325,288
Carrying amount		
At 31 March	1,579,767	10,816,041
Fair value		
At 31 March	2,594,132	16,125,450

(a) Investment properties under leases

Investment properties comprise leasehold commercial offices that are leased to third parties. The remaining lease period for the said properties range from 77 to 78 years (2021: 75 to 80 years).

(b) Fair value basis of investment properties

Fair value of investment properties was estimated by the Directors based on internal appraisal of market values of comparable properties. The fair values are within Level 3 of the fair value hierarchy.

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

(c) Income and expenses recognised in profit or loss

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

	Group	
	2022 RM	**2021 RM**
Rental income	85,200	126,365
Direct operating expenses		
- Income generating investment properties	24,499	90,646

Notes To The Financial Statements
31 March 2022 (Cont'd)

13. INVENTORIES

		Group		Company	
	Note	2022 RM	2021 RM	2022 RM	2021 RM
Non-current					
Land held for development		6,000,000	6,000,000	6,000,000	6,000,000
Current					
Others inventories	(a)	2,495,586	2,019,213	-	-
		2,495,586	2,019,213	-	-
		8,495,586	8,019,213	6,000,000	6,000,000

(a) Other inventories

	Group	
	2022 RM	2021 RM
Raw materials and packaging materials	1,251,817	1,196,098
Spare parts and consumables	144,451	823,115
Quarry and bituminous products	1,099,318	-
	2,495,586	2,019,213
Recognised in profit or loss:		
Inventories recognised in cost of sales	11,665,583	8,009,366

14. QUARRY DEVELOPMENT EXPENDITURE

	Group	
	2022 RM	2021 RM
Cost		
At 1 April	86,859	11,160,465
Additions	7,616	86,859
Transfer to assets held for sale (Note 25)	-	(11,160,465)
At 31 March	94,475	86,859

Notes To The Financial Statements
31 March 2022 (Cont'd)

14. QUARRY DEVELOPMENT EXPENDITURE (CONT'D)

	Group 2022 RM	Group 2021 RM
Accumulated amortisation		
At 1 April	-	2,662,978
Charge for the financial year	18,895	59,124
Transfer to assets held for sale (Note 25)	-	(2,722,102)
At 31 March	18,895	-
Accumulated impairment losses		
At 1 April	-	8,141,295
Transfer to assets held for sale (Note 25)	-	(8,141,295)
At 31 March	-	-
Carrying amount		
At 31 March	75,580	86,859

15. INVESTMENT IN SUBSIDIARY COMPANIES

	Company 2022 RM	Company 2021 RM
Unquoted shares, at cost	69,516,871	86,096,871
Less: Accumulated impairment losses	(38,587,410)	(41,499,617)
	30,929,461	44,597,254

Movements in the allowance for impairment losses of investment in subsidiary companies are as follows:

	Company 2022 RM	Company 2021 RM
At 1 April	41,499,617	41,499,719
Addition	3,687,793	-
Reversal	(6,600,000)	(102)
At 31 March	38,587,410	41,499,617

Notes To The Financial Statements
31 March 2022 (Cont'd)

15. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

Details of the subsidiary companies are as follows:

Name of company	Place of business/ Country of incorporation	Effective interest (%) 2022	Effective interest (%) 2021	Principal activities
Direct holding:				
K. S. Chin Minerals Sdn. Bhd. ("KSCM")	Malaysia	100	100	Provision of turnkey and specialised quarry services and rental of machinery
Minetech Construction Sdn. Bhd. ("MCSB")	Malaysia	100	100	Provision of specialised civil engineering services and rental of machinery
Minetech Premix Sdn. Bhd. ("MPSB")	Malaysia	100	100	Manufacturing and trading of premix products
Minetech Industries Sdn. Bhd. ("MISB")	Malaysia	100	100	Trading of industrial machinery spare parts
Minetech Commerce Sdn. Bhd. ("MCMSB") f.k.a Diman KS Chin Sdn Bhd	Malaysia	95	100	Inactive
Minetech Realty Sdn. Bhd. ("MRSB")	Malaysia	100	100	Property investment
Minetech International (L) Ltd. ("MILL")	Malaysia	100	100	Inactive
Minetech Asphalt Man International Sdn. Bhd. ("MAMI")	Malaysia	85	85	Manufacturing and trading of bituminous products
Harapan Iringan Sdn. Bhd. ("HISB")	Malaysia	100	100	Property investment holding
Medium Visa Sdn. Bhd. ("MVSB")	Malaysia	100	100	Investment holding
Coral Energy Sdn. Bhd. ("CESB")	Malaysia	100	100	Property development
Coral Power Sdn. Bhd. ("CPSB")	Malaysia	70	70	Solar Farm Operator
Bertam Capital Sdn. Bhd. ("BCSB")*	Malaysia	-	60	Quarry operator
MRB Property Sdn. Bhd. ("MRBPSB")	Malaysia	100	100	Investment holding, wholesale of construction and civil engineering and equipment
Techmile Resources Sdn. Bhd. ("TRSB")	Malaysia	100	100	Investment holding, provision of specialised civil engineering services
Subsidiary companies of TRSB:				
Uniqa (M) Sdn. Bhd. ("UMSB")	Malaysia	60	60	Business of information technology and software development
Konsep Khas Sdn. Bhd. ("KKSB")	Malaysia	55	-	Wholesale of a variety of goods without any particular specialization

Notes To The Financial Statements
31 March 2022 (Cont'd)

15. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

Details of the subsidiary companies are as follows: (Cont'd)

Name of company	Place of business/ Country of incorporation	Effective interest (%) 2022	Effective interest (%) 2021	Principal activities
Subsidiary companies of KSCM				
Advance Solar Sdn. Bhd. ("ASSB")	Malaysia	100	100	Inactive
Subsidiary companies of ASSB				
Optimis Dinamik Sdn. Bhd. ("ODSB")	Malaysia	100	100	Inactive
Minetech Bidor Quarry Sdn. Bhd. ("MBQSB")	Malaysia	100	100	Extraction, processing, manufacturing and marketing of quarry products
Subsidiary companies of MCSB:				
Coral Evergreen Sdn. Bhd. ("CEGSB")	Malaysia	100	100	Civil engineering construction
MRB Maju Construct Sdn. Bhd. ("MMSB")	Malaysia	80	80	Civil engineering construction

* Audited by a firm other than Al Jafree Salihin Kuzaimi PLT

(a) Step acquisition of subsidiary company - Konsep Khas Sdn. Bhd.

During the year, Minetech Resources Berhad had entered into a share sales agreement with Dato' Jeremy Kho Boon Seng to acquire additional ordinary share of Konsep Khas Sdn Bhd ("KKSB"), representing 55% equity in KKSB, for a total cash consideration of RM220,000. This arrangement constitutes a step acquisition where KKSB has now become the subsidiary of the Company.

A step acquisition occurs when a shareholder obtains control over an entity by acquiring an additional interest in that entity. The acquirer's previously held equity interest shall need to be remeasured to fair value at the date the controlling interest is acquired. The remeasurement of the previously-held equity interest is recognised in the income statement.

Notes To The Financial Statements
31 March 2022 (Cont'd)

15. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

(a) Step acquisition of subsidiary company - Konsep Khas Sdn. Bhd. (Cont'd)

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the acquisition date:

Group	2021 RM
Fair value of identifiable assets acquired and liabilities assumed	
Property, plant and equipment	10,762
Investment in an associate	125
Trade receivable	4,161,200
Other receivables	5,743,091
Amount due to an associate company	(9,790,537)
Other payables	(8,492)
Cash and cash equivalents	127,480
Non-controlling interest	(109,633)
Total identifiable net assets	133,996
Total fair value of consideration transferred	
Cash consideration	220,000
Total consideration recognised as payable, as at 31 March 2022	220,000
Net cash inflows arising from acquisition of subsidiary company	
Purchase consideration, recognised as payable	220,000
Less: Cash and bank balances acquired	(127,480)
Net cash inflows	92,520

Goodwill arising from business combination

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

Fair value of consideration transferred	220,000
Fair value of identifiable net assets	(133,996)
Goodwill on consolidation (Note 17)	86,004

Notes To The Financial Statements
31 March 2022 (Cont'd)

15. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

(b) Acquisition of subsidiary company - Uniqa (M) Sdn. Bhd.

In the previous financial year, Techmile Resources Sdn. Bhd., a subsidiary of Minetech Resources Berhad has acquired 300,000 ordinary shares in Uniqa (M) Sdn. Bhd. ("UMSB"), representing 60% of the equity interests in UMSB for a cash consideration of RM2,829,472. Consequently, UMSB became an indirect 60% owned subsidiary company of the Company.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the acquisition date:

Group	**2021 RM**
Fair value of identifiable assets acquired and liabilities assumed	
Property, plant and equipment	343,434
Trade debtors	3,514
Other receivables & deposit	63,487
Work in progress	1,201,030
Amount owing to Director	(839,185)
Other payables and accruals	(9,530)
Bank borrowing	(2,723,044)
Cash and cash equivalents	44,005
Non-controlling interest	766,515
Total identifiable net liabilities	(1,149,774)
Total fair value of consideration transferred	
Cash consideration	2,829,472
Total consideration recognised as payable, as at 31 March 2021	2,829,472
Net cash inflows arising from acquisition of subsidiary company	
Purchase consideration, recognised as payable	-
Less: Cash and bank balances acquired	44,005
Net cash inflows	44,005
Goodwill arising from business combination	
Goodwill was recognised as a result of the acquisition as follows:	
Fair value of consideration transferred	2,829,472
Fair value of identifiable net liabilities	1,149,774
Goodwill on consolidation	3,979,246

The goodwill recognised on the acquisition is attributable mainly to the license of its remittance services and technical talent of the acquired business's work force and the synergies expected to be achieved from integrating the subsidiary companies into the Group's existing business.

Notes To The Financial Statements
31 March 2022 (Cont'd)

15. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

(b) Disposal of subsidiary company - Bertam Capital Sdn. Bhd.

On 18 May 2021, Minetech Resources Berhad entered into a Shares Sale Agreement with Bertam Roadbase Sdn Bhd for the purpose of disposing of the entire investment of 1,200,000 ordinary shares in Bertam Capital Sdn Bhd ("BCSB"), representing 60% equity interest in BCSB for a total consideration of RM10,200,000.

The disposal has been completed following fulfilment of conditions precedent and the transfer of shares to the purchaser on 31 May 2021.

(c) Material partly-owned subsidiary companies

Set out below are the Group's subsidiary companies that have material non-controlling interests:

Name of company	Proportion of ownership interests and voting rights held by non-controlling interests		Profit allocated to non-controlling interests		Accumulated non-controlling interests	
	2022	2021	2022	2021	2022	2021
	%	%	RM	RM	RM	RM
MAMI	15	15	-	19,917	(934,328)	934,328
BCSB	-	40	-	(276,148)	-	981,255
KKSB	45	-	2,265,716	-	2,265,716	-
UMSB	40	-	1,137,239	-	1,137,239	-
					2,468,627	1,915,583
Individually immaterial subsidiary companies with non-controlling interests					199,999	(656,343)
					2,668,626	1,259,240

Summarised financial information for each subsidiary company that has non-controlling interests that are material to the Group is set out below. The summarised financial information below represents amounts before inter-company eliminations.

(i) Summarised of Statements of Financial Position

	MAMI RM	UMSB RM	KKSB RM
2022			
Non-current assets	4,725,546	1,103,098	111,808
Current assets	6,782,485	137,054	3,964,237
Non-current liabilities	364,500	2,046,949	-
Current liabilities	4,723,025	1,992,396	9,110,970
Net assets	16,595,556	5,279,497	13,187,015

Notes To The Financial Statements
31 March 2022 (Cont'd)

15. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

(c) Material partly-owned subsidiary companies (Cont'd)

(i) Summarised of Statements of Financial Position (Cont'd)

	MAMI RM	BCSB RM	UMSB RM
2021			
Non-current assets	4,767,618	4,397,874	-
Current assets	5,268,257	18,973,331	-
Non-current liabilities	(364,500)	(2,941,379)	-
Current liabilities	(3,444,264)	(18,001,178)	-
Net assets	6,227,111	2,428,648	-

(ii) Summarised of Statements of Profit or Loss and Other Comprehensive Income

	MAMI RM	UMSB RM	KKSB RM
2022			
Revenue	15,161,147	7,310,234	1,281,508
Total comprehensive income/(loss) for the financial year	193,396	(1,022,554)	(5,278,554)

	MAMI RM	BCSB RM	UMSB RM
2021			
Revenue	11,400,394	15,019,763	-
Total comprehensive income/(loss) for the financial year	132,779	(597,241)	-

(ii) Summarised of Statements of Cash Flows

	MAMI RM	BCSB RM	UMSB RM
2022			
Net cash from operating activities	(342,416)	-	2,001,388
Net cash used in investing activities	(45,810)	-	(1,281,030)
Net cash generated from/(used	-	-	-
in) financing activities	871,055	-	(677,298)
Net (decrease)/increase in cash and cash equivalents	482,829	-	43,060

Notes To The Financial Statements
31 March 2022 (Cont'd)

15. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

(c) Material partly-owned subsidiary companies (Cont'd)

(ii) Summarised of Statements of Cash Flows (Cont'd)

	MAMI RM	BCSB RM	UNIQA RM
2021			
Net cash from operating activities	624,581	2,294,497	-
Net cash used in investing activities	-	(1,940,459)	-
Net cash generated from/(used in) financing activities	(695,793)	754,743	-
Net (decrease)/increase in cash and cash equivalents	(71,212)	1,108,781	-

(d) There are no significant restrictions on the ability of the subsidiary companies to transfer funds to the Group in the form of cash dividends or repayment of loans and advances. Generally, for all subsidiary companies which are not wholly-owned by the Company, non-controlling shareholders hold protective rights restricting the Company's ability to use the assets of the subsidiary companies and settle the liabilities of the Group, unless approval is obtained from the non-controlling shareholders.

(e) Changes in ownership interests in subsidiaries without change of control

During the year, MCMSB has entered into a Teaming Agreement dated 7 January 2022 with Vitamin 2U Sdn. Bhd., to undertake a project of importing and trading of processed food in Malaysia from Samyang Food Co Ltd, a South Korean manufacturer. Subsequently, MRB has disposed four units of its shares in MCMSB to Lee Byoung Jin, a director in Vitamin 2U Sdn. Bhd.

16. INVESTMENT IN ASSOCIATES

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
In Malaysia				
Unquoted shares, at cost	-	120,049	-	120,000
Share of post-acquisition reserve	-	(120,049)	-	-
	-	-	-	120,000

Notes To The Financial Statements
31 March 2022 (Cont'd)

16. INVESTMENT IN ASSOCIATES (CONT'D)

Details of the associates are as follows:

Name of company	Place of business/ Country of incorporation	Effective interest (%)		Principal activities
		2022	2021	
Associate company of MRB:				
Konsep Khas Sdn. Bhd. ("KKSB")	Malaysia	-	30	Wholesale of variety of goods
Associate company of KKRB:				
Mitcom Services Sdn. Bhd. ("MSSB")	Malaysia	-	50	Provision of media and outdoor advertising services

(a) Acquisition of associates

In the previous financial year, Konsep Khas Sdn. Bhd., an associate of Minetech Resources Berhad has acquired 125,000 ordinary shares in Mitcom Services Sdn. Bhd. ("MSSB"), representing 50% of the equity interests in MSSB for a cash consideration of RM125. Consequently, MSSB became an indirect 15% owned associate company of the Company.

In the previous financial year, the Company's wholly-owned subsidiary company Konsep Khas Sdn. Bhd. ("KKSB") had increase their share capital to RM400,000. Consequently, KKSB became an associate company of the Company.

(b) The summarised financial information of the associates are as follows:

	Group	
	2022 RM	2021 RM
Total assets	-	13,516,549
Total liabilities	-	14,115,406
Profit/(loss) for the financial year	-	(753,929)

(c) The unrecognised share of losses of the associates are as follows:

	Group	
	2022 RM	2021 RM
At 1 April	71,546	22,934
Addition during the financial year	-	48,612
Transfer to investment in subsidiary	(71,546)	-
At 31 March	-	71,546

Notes To The Financial Statements
31 March 2022 (Cont'd)

17. INTANGIBLE ASSETS

	Goodwill on consolidation RM	Total RM
Group		
Cost		
At 1 April 2021	3,979,246	3,979,246
Addition	86,004	86,004
Overprovision of goodwill in prior year	(58,170)	(58,170)
At 31 March 2022	4,007,080	4,007,080
Accumulated amortisation		
At 1 April 2021	-	-
Charge for the financial year	-	-
At 31 March 2022	-	-
Accumulated impairment losses		
At 1 April 2021	-	-
Charge for the financial year	552,266	552,266
At 31 March 2022	552,266	552,266
Carrying amount		
At 31 March 2022	3,454,814	3,454,814

	Goodwill on consolidation RM	Intangible assets RM	Total RM
Group			
Cost			
At 1 April 2020	3,510,777	12,585,600	16,096,377
Addition	3,979,246	-	3,979,246
Transfer to assets held for sale (Note 25)	(3,510,777)	(12,585,600)	(16,096,377)
At 31 March 2021	3,979,246	-	3,979,246
Accumulated amortisation			
At 1 April 2020	-	1,006,848	1,006,848
Charge for the financial year	-	251,712	251,712
Transfer to assets held for sale (Note 25)	-	(1,258,560)	(1,258,560)
At 31 March 2021	-	-	-

Notes To The Financial Statements
31 March 2022 (Cont'd)

17. INTANGIBLE ASSETS (CONT'D)

	Goodwill on consolidation RM	Intangible assets RM	Total RM
Group			
Accumulated impairment losses			
At 1 April 2020	3,510,777	4,259,163	7,769,940
Charge for the financial year	-	-	-
Transfer to assets held for sale (Note 25)	(3,510,777)	(4,259,163)	(7,769,940)
At 31 March 2021	-	-	-
Carrying amount			
At 31 March 2021	3,979,246	-	3,979,246

(a) Goodwill on consolidation

Goodwill - KKSB
During the financial year, the Company acquired additional ordinary share of Konsep Khas Sdn Bhd ("KKSB") and RM86,004 is recognised as goodwill, in accordance with MFRS 3, Business Combination.

Goodwill - Uniqa
In the previous financial year, the Company completed the acquisition of Uniqa (M) Sdn. Bhd. and RM3,979,246 is recognised as goodwill, in accordance with MFRS 3, Business Combinations. The goodwill arising from the property development unit had been classified as held for sales, as a result of the sale of Bertam Capital Sdn. Bhd.

Impairment of goodwill
In the current financial year, the recoverable amount of the cash generating unit was determined based on a value in use by discounting future cash flow to be generated by the unit. The carrying amount of the unit was determined to be higher than its recoverable amount and an impairment loss of RM552,266 was recognised. The impairment loss was recorded within administrative expenses in the statements of profit or loss and other comprehensive income.

For the purpose of impairment testing, the recoverable amount of goodwill as at the end of this financial year was determined based on a value in use calculation by discounting the future cash flows generated from the continuing use of the cash generating unit ("CGU") and was based on the following assumptions:

(i) Pre-tax cash flows projections based on the most recent financial budgets covering a seven (7) years period.

(ii) The anticipated annual revenue growth rate used in the financial budgets and plans of the CGU is 80% for the second and third financial year, and 25% for the subsequent sixth financial years.

(iii) Pre-tax discount rate of 7.4% per annum has been applied in determining the recoverable amount of the CGU. The discount rate was estimated based on the Group's weighted average cost of capital.

The values assigned to the key assumptions represent management's assessment of future trends in the industry and are based on both external sources and internal sources.

The management believes that no reasonably possible change in any of the above key assumptions would cause carrying values of the units to materially exceed their recoverable amounts.

Notes To The Financial Statements
31 March 2022 (Cont'd)

18. OTHER INVESTMENTS

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Non-current				
At cost:				
Investment in club memberships	-	64,464	-	-
Transfer to assets held for sale (Note 25)	-	(64,464)	-	-
	-	-	-	-
Current				
Financial assets at FVTPL:				
Unit trust, quoted in Malaysia	2,510,355	466,078	2,094,754	57,200

The investment in club memberships is unquoted and the management are of the view that under such circumstances, it is not possible to disclose the range estimates within which a fair value is unlikely to be estimated. This has been reclassified to assets held for sale in previous financial year.

The fair value of the quoted investment in units were determined by reference to the quoted price in the financial market.

19. OTHER RECEIVABLES

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Non-current				
Other receivables	201,998	582,617	-	-
Current				
Other receivables	9,400,381	2,331,375	5,100,000	-
Less: Accumulated impairment losses	(1,996,722)	(1,268,528)	-	-
	7,403,659	1,062,847	5,100,000	-
Deposits	5,908,759	848,105	80,942	48,212
Prepayments	2,807,597	1,522,297	481,911	150,263
	16,120,015	3,433,249	5,662,853	198,475

Notes To The Financial Statements
31 March 2022 (Cont'd)

19. OTHER RECEIVABLES (CONT'D)

Movements in the allowance for impairment losses of other receivables are as follows:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
At 1 April	1,268,528	2,374,760	-	-
Impairment losses recognised	1,083,642	53,443	-	-
Reversal of impairment loss	(355,448)	(1,062,697)	-	-
Written off	-	(96,978)	-	-
At 31 March	1,996,722	1,268,528	-	-

Other receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments.

20. CONTRACT ASSETS

The Group's contract assets and contract liabilities relating to construction contracts and property development activities at the end of the reporting period are as follows:

		Group	
	Note	2022 RM	2021 RM
Contract assets			
Construction contracts	(a)	18,175,763	36,221,907

(a) Construction contracts

		Group	
	Note	2022 RM	2021 RM
Contracts costs incurred to-date		95,240,367	123,106,045
Attributable profits recognised to-date		7,150,482	16,894,045
		102,390,849	140,000,090
Less: Progress billings		(84,215,086)	(103,778,183)
		18,175,763	36,221,907
Presented as:			
Contract assets		18,175,763	36,221,907

The contract assets represent the unbilled amount for work completed as at the reporting date. This amount will be transferred to trade receivables when the right to bill becomes unconditional.

Notes To The Financial Statements
31 March 2022 (Cont'd)

20. CONTRACT ASSETS (CONT'D)

(b) Transaction price allocated to the remaining performance obligations

The following table shows revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially satisfied) at the reporting date. The disclosure is only providing information for contracts that have a duration of more than one year.

	Under 1 year RM	1-5 years RM	Total RM
Group			
Construction contract	60,561,591	7,566,173	68,127,764

21. TRADE RECEIVABLES

	Group	
	2022 RM	2021 RM
Non-current		
Trade receivables	206,990	-
Current		
Trade receivables	39,918,161	18,629,947
Less: Accumulated for impairment losses	(4,715,112)	(342,611)
	35,203,049	18,287,336

The Group's normal trade credit terms range from 30 to 90 days (2021: 30 to 90 days). Other credit terms are assessed and approved on a case-by-case basis. Trade receivables are recognised at their original invoice amounts which represent their fair values on initial recognition.

Included in trade receivables of the Group are retention sum amounting to RM7,856,790 (2021: RM3,726,255).

Movements in the allowance for impairment losses of trade receivables are as follows:

	Lifetime allowance RM	Credit impaired RM	Loss allowance RM
Group			
At 1 April 2021	18,454	324,157	342,611
Impairment losses recognised	222,818	4,386,325	4,609,143
Reversal of impairment losses	-	(236,642)	(236,642)
At 31 March 2022	241,272	4,473,840	4,715,112

Notes To The Financial Statements
31 March 2022 (Cont'd)

21. TRADE RECEIVABLES (CONT'D)

	Lifetime allowance RM	Credit impaired RM	Loss allowance RM
Group			
At 1 April 2020	130,696	324,157	454,853
Transfer to assets held for sale (Note 25)	(25,300)	-	(25,300)
Impairment losses recognised	33,460	-	33,460
Reversal of impairment losses	(120,402)	-	(120,402)
At 31 March 2021	18,454	324,157	342,611

The loss allowance account in respect of trade receivables is used to record loss allowance. Unless the Group is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the trade receivable directly.

The aged analysis of trade receivables as at the end of the reporting period are as follows:

	Gross amount RM	Loss allowance RM	Net amount RM
Group			
2022			
Neither past due	10,797,651	-	10,797,651
Past due			
Less than 30 days	4,594,998	-	4,594,998
31 to 60 days	1,583,621	-	1,583,621
61 to 90 days	663,914	-	663,914
More than 90 days	18,011,127	(241,272)	17,769,855
	24,853,660	(241,272)	24,612,388
Credit impaired			
Individually impaired	4,473,840	(4,473,840)	-
	40,125,151	(4,715,112)	35,410,039
2021			
Neither past due	7,322,256	-	7,322,256
Past due			
Less than 30 days	3,361,001	-	3,361,001
31 to 60 days	1,038,015	-	1,038,015
61 to 90 days	1,175,714	-	1,175,714
More than 90 days	5,537,200	(146,850)	5,390,350
	11,111,930	(146,850)	10,965,080
Credit impaired			
Individually impaired	195,761	(195,761)	
	18,629,947	(342,611)	18,287,336

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Notes To The Financial Statements
31 March 2022 (Cont'd)

21. TRADE RECEIVABLES (CONT'D)

Trade receivables that are neither past due nor impaired are creditworthy receivables with good payment records with the Group.

As at 31 March 2022, the Group has trade receivables amounting to RM17,643,412 (2021: RM10,965,080) which were past due but not impaired. These relate to a number of independent customers with slower repayment records.

The trade receivables of the Group that are individually assessed to be impaired amounting to RM4,406,339 (2021: RM195,761), relate to customers that are in financial difficulties, and have defaulted on payment. These balances are expected to be recovered through the debts recovery process.

22. AMOUNT DUE FROM AN ASSOCIATE

Amount due from an associate are unsecured, non-interest bearing advances and repayable on demand.

23. AMOUNT DUE FROM/(TO) SUBSIDIARY COMPANIES

(a) Amount due from subsidiary companies

	Company	
	2022 RM	2021 RM
Amount due from subsidiary companies	74,172,000	54,282,349
Less: Accumulated impairment losses	(37,877,208)	(39,435,183)
	36,294,792	14,847,166

Movements in the allowance for impairment losses on amount due from subsidiary companies are as follows:

	Company	
	2022 RM	2021 RM
At 1 April	39,435,183	40,812,489
Impairment losses recognised	224,132	1,211,858
Impairment losses reversed	(1,782,107)	(2,589,164)
At 31 March	37,877,208	39,435,183

Amount due from subsidiary companies are unsecured, non-interest bearing advances and repayable on demand.

(b) Amount due to subsidiary companies

Amount due to subsidiary companies are unsecured, non-interest bearing advances and repayable on demand.

Notes To The Financial Statements
31 March 2022 (Cont'd)

24. FIXED DEPOSITS WITH LICENSED BANKS

The fixed deposits with licensed banks of the Group amounting to RM6,398,940 (2021: RM7,492,841) are pledged to licensed banks as securities for credit facilities granted to a subsidiary company as disclosed in Note 29.

The interest rates of fixed deposits at the end of the reporting period are ranging from 1.30% to 3.10% (2021: 1.50% to 3.10%) per annum and the maturities of deposits are ranging from 30 to 365 days (2021: 30 to 365 days).

25. ASSETS AND LIABILITIES OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

(c) Disposal of Investment of a subsidiary

In previous financial year, the management committed to a plan to sell part of the quarry division - Bertam Capital Sdn. Bhd ("BCSB"). Accordingly, BCSB is presented as a disposal group held for sale. The Company has entered into a Shares Sale Agreement with Bertam Roadbase Sdn Bhd for the purpose of disposing of the entire investment of 1,200,000 ordinary shares in BCSB, representing 60% equity interest in BCSB for a total consideration of RM10,200,000.

The following assets and liabilities were reclassified as held for sale in relation to the discontinued operation as at 31 March 2021:

	Group 2021 RM
Assets classified as held for sale	
Property, plant & equipment	4,013,391
Right-of-use assets	791,909
Quarry development expenditure	297,068
Intangible assets on combination	7,067,877
Other investments	64,464
Inventories	8,176,034
Trade receivable	5,433,668
Other receivables, deposits and prepayments	3,435,387
Fixed deposits	1,912,875
Cash and bank balances	61,842
	31,254,515
Liabilities classified as held for sale	
Trade payables	7,348,422
Other payables	4,396,291
Lease and borrowings	9,014,649
Tax payable	168,476
	20,927,838

Notes To The Financial Statements
31 March 2022 (Cont'd)

25. ASSETS AND LIABILITIES OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (CONT'D)

(c) Disposal of Investment of a subsidiary (Cont'd)

Financial information relating to the discontinued operation for the period to the financial year end is set out below.

	Group 2021 RM
Revenue	15,019,763
Cost of Sales	(12,579,984)
Gross profit	2,439,779
Other income	1,097,409
Admin expenses	(3,355,172)
Finance cost	(270,751)
Loss from discontinued operations	(88,735)
Tax expenses	(93,130)
Loss from discontinued operations, net of tax	(181,865)

(a) During the year, the management committed to a plan to dispose and sell leasehold land under Medium Visa Sdn Bhd ("MVSB") and Harapan Iringan Sdn Bhd ("HISB")(a wholly-owned subsidiary). Subsequent to that, on 10 May 2022, MVSB and HISB had entered into a sale and purchase agreement with Alliance EV Sdn Bhd ("AESB") in relation to the disposal of the leasehold land, for a total sale consideration of RM12,000,000

	Group 2022 RM
Assets classified as held for sale	
Investment property	6,700,000
Right of use asset	5,300,000
	12,000,000

(b) Based on the meeting dated 4 March 2022 between Konsep Khas Sdn Bhd (a subsidiary), the management has an intention to dispose the entire 125,000 ordinary share representing 50% equity interest held in Hibiscus Media Sdn Bhd (formely known as Mitcom Services Sdn Bhd).

Following to the above, on 22 April 2022, the Company had issued an offer letter and has been acknowledged by Mitcom Sdn Bhd to sell the shares with a total consideration of RM125,000.

	Group 2022 RM
Assets classified as held for sale	
Investment in an associate	125

Notes To The Financial Statements
31 March 2022 (Cont'd)

26. SHARE CAPITAL

	Group/Company			
	Number of shares		Amount	
	2022 Units	2021 Units	2022 RM	2021 RM
Issued and fully paid ordinary shares				
At 1 April	1,165,613,800	921,574,900	166,812,692	132,526,862
Shares issued during financial year	-	244,038,900	-	34,285,830
Shares capital reduction	-	-	(90,000,000)	-
	1,165,613,800	1,165,613,800	76,812,692	166,812,692
Irredemable convertible preference shares				
At beginning of financial year	-	-	-	-
Issued during the financial year	582,664,397	-	17,479,932	-
Share issuance expenses	-	-	(242,519)	-
At end of financial year	582,664,397	-	17,237,413	-
At 31 March	1,748,278,197	1,165,613,800	94,050,105	166,812,692

Notes To The Financial Statements
31 March 2022 (Cont'd)

26. SHARE CAPITAL (Cont'd)

In the current financial year,

(a) the Company issued 582,664,397 new irredeemable convertible preference shares ("ICPS") at an issue price of RM0.03 each for every two existing ordinary shares for a total consideration of RM17,479,932;

(b) reduction of the issued shares capital by RM90,000,000 pursuant to Section 116 of the Companies Act 2016 ("Share Capital Reduction").

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

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets. In respect of the Company's treasury shares that are held by the Group, all rights are suspended until those shares are reissued.

In the previous financial year, the Company

(a) issued 38,200,000 new ordinary shares at an issue price of RM0.05 each for a total cash consideration of RM1,910,000 via exercise of options under scheme for working capital purposes;

(b) issued 40,000,000 new ordinary shares at an issue price of RM0.05 each for a total cash consideration of RM2,000,000 via exercise of options under scheme for working capital purposes;

(c) issued 59,900,000 new ordinary shares at an issue price of RM0.05 each for a total consideration of RM2,995,000 via exercise of options under scheme for working capital purposes;

(d) issued 48,000,000 new ordinary shares at an issue price of RM0.235 each for a total consideration of RM11,280,000 via private placement for working capital purposes;

(e) issued 30,000,000 new ordinary shares at an issue price of RM0.275 each for a total consideration of RM8,250,000 via private placement for working capital purposes; and

(f) issued 27,938,900 new ordinary shares at an issue price of RM0.281 each for a total consideration of RM7,850,830 via private placement for working capital purposes.

Notes To The Financial Statements
31 March 2022 (Cont'd)

27. RESERVES

		Group		Company	
	Note	2022 RM	2021 RM	2022 RM	2021 RM
Non distributable					
Foreign currency translation reserve	(a)	44,553	39,933	-	-
Warrant reserve	(b)	-	-	-	-
Accumulated losses		(8,275,510)	(76,027,147)	(13,779,188)	(93,023,469)
		(8,230,957)	(75,987,214)	(13,779,188)	(93,023,469)

(a) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

Notes To The Financial Statements
31 March 2022 (Cont'd)

28. TREASURY SHARES

	Group/Company			
	Number of shares		Amount	
	2022 Units	2021 Units	2022 RM	2021 RM
At 1 April / 31 March	285,000	285,000	47,990	47,990

Treasury shares relate to ordinary shares of the Company that are held by the Company. The amount consists of the acquisition costs of treasury shares net of the proceeds received on their subsequent sale or re-issuance.

The Company does not repurchase any of its issued shares from the open market during the financial year.

The Directors of the Company are committed in enhancing the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders. The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares.

29. LOANS AND BORROWINGS

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Secured				
Term loans (Note a)	37,055,245	27,061,735	-	-
Bank overdrafts (Note a)	2,558,049	4,225,435	-	-
Bankers' acceptance (Note a)	1,698,511	827,456	-	-
Hire purchase (Note b)	2,942,765	611,604	102,055	27,096
Lease liabilities (Note c)	4,165,690	4,405,910	-	259,807
	48,420,260	37,132,140	102,055	286,903
Non-current				
Term loans	12,128,981	12,492,822	-	-
Hire purchase	2,265,264	286,536	69,095	-
Lease liabilities	-	4,165,690	-	-
	14,394,245	16,945,048	69,095	-
Current				
Term loans	24,926,264	14,568,913	-	-
Bank overdrafts	2,558,049	4,225,435	-	-
Bankers' acceptance	1,698,511	827,456	-	-
Hire purchase	677,501	325,068	32,960	27,096
Lease liabilities	4,165,690	240,220	-	259,807
	34,026,015	20,187,092	32,960	286,903
	48,420,260	37,132,140	102,055	286,903

Notes To The Financial Statements
31 March 2022 (Cont'd)

29. LOANS AND BORROWINGS (CONT'D)

(a) Bank borrowings

The term loans, bankers' acceptance, bills payables, trust receipts and bank overdrafts are secured by the following:

(i) first legal charge over freehold land and buildings and improvements of a subsidiary company as disclosed in Note 10(b);

(ii) fixed and floating charge over certain property, plant and equipment of a subsidiary company;

(iii) pledge of fixed deposits of the Group as disclosed in Note 24;

(iv) debenture over all the fixed and floating assets of a subsidiary company;

(v) guarantee provided by the Government of Malaysia; and

(vi) corporate guarantee provided by the Company.

Maturity of bank borrowings (excluding lease liabilities and hire purchase) are as follows:

	Group	
	2022 RM	**2021 RM**
Within one year	29,182,824	19,621,804
Between one to two years	1,011,633	2,865,722
Between two to five years	4,756,376	3,469,871
After five years	6,360,972	6,157,229
	41,311,805	32,114,626

The ranges of effective interest rates per annum at the reporting date are as follows:

	Group	
	2022 %	**2021 %**
Term loans	3.27 - 12.00	3.27 - 12.00
Bank overdrafts	7.25 - 7.31	7.25 - 7.31
Bankers' acceptance	3.03	3.03

Notes To The Financial Statements
31 March 2022 (Cont'd)

29. LOANS AND BORROWINGS (CONT'D)

(b) Hire purchase

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
At 1 April	611,604	3,111,291	27,096	61,361
Additions	2,836,776	1,744,000	142,777	-
Interest expenses	71,603	138,390	1,815	2,754
Payments	(577,218)	(2,014,246)	(69,633)	(37,019)
Transfer to liabilities held for sale (Note 25)	-	(2,367,831)	-	-
At 31 March	2,942,765	611,604	102,055	27,096
Presented as:				
Current	677,501	325,068	32,960	27,096
Non-current	2,265,264	286,536	69,095	-
	2,942,765	611,604	102,055	27,096
Minimum lease payments				
Within one year	824,544	345,764	35,695	27,762
Later than one year and not later than two years	762,503	168,930	71,388	-
Later than two years and not later than five years	1,734,260	132,150	-	-
	3,321,307	646,844	107,083	27,762
Less: Future finance charges	(378,542)	(35,240)	(5,028)	(666)
Present value of minimum lease payments	2,942,765	611,604	102,055	27,096
Present value of minimum lease payments				
Within one year	677,501	325,068	32,960	27,096
Later than one year and not later than two years	652,727	160,017	69,095	-
Later than two years and not later than five years	1,612,537	126,519	-	-
	2,942,765	611,604	102,055	27,096
Analysed as:				
Repayable within twelve months	677,501	325,068	32,960	27,096
Repayable after twelve months	2,265,264	286,536	69,095	-
	2,942,765	611,604	102,055	27,096

Notes To The Financial Statements
31 March 2022 (Cont'd)

29. LOANS AND BORROWINGS (CONT'D)

(b) Hire purchase (Cont'd)

The effective interest rates of hire purchase are ranging from 2.16% to 6.59% (2021: 2.60% to 4.14%) per annum.

The Group and the Company lease motor vehicles and plant and machinery under hire purchase Note 10(a). There are no restrictive covenants imposed by the lease agreement and no arrangements have been entered into for contingent rental payments.

(c) Lease liabilities

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
At 1 April	4,405,910	630,927	259,807	444,342
Additions	137,858	5,081,507	6,833	60,152
Interest expenses	253,612	-	-	-
Payments	(631,691)	(687,966)	(266,640)	(244,687)
Transfer to liabilities held for sale (Note 25)	-	(618,558)	-	-
At 31 March	4,165,689	4,405,910	-	259,807
Presented as:				
Current	4,165,689	240,220	-	259,807
Non-current	-	4,165,690	-	-

The maturity analysis of lease liabilities of the Group and the Company at the end of the reporting period:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Within one year	10,120	484,160	-	266,640
Later than one year not later than five years	6,843,523	6,851,520	-	-
	6,853,643	7,335,680	-	266,640
Less: Future finance charges	(2,687,954)	(2,929,770)	-	(6,833)
Present value of lease liabilities	4,165,689	4,405,910	-	259,807

Notes To The Financial Statements
31 March 2022 (Cont'd)

30. DEFERRED TAX LIABILITIES

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
At 1 April	2,389,663	2,329,520	-	-
Recognised in profit or loss (Note 7)	110,116	(54,250)	-	-
Under provision in prior year	304,349	114,393	-	-
At 31 March	2,804,128	2,389,663	-	-

The net deferred tax assets and liabilities shown on the statements of financial position after appropriate offsetting are as follows:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Deferred tax liabilities	2,804,128	3,166,823	-	-
Deferred tax assets	-	(777,160)	-	-
	2,804,128	2,389,663	-	-

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

Group	Unutilised capital allowances RM	Unutilised tax losses RM	Unutilised reinvestment allowances RM	Others RM	Total RM
Deferred tax assets					
At 1 April 2021	(240,453)	(521,991)	-	(14,716)	(777,160)
Overprovision in prior years	240,453	521,991	-	14,716	777,160
At 31 March 2022	-	-	-	-	-

Notes To The Financial Statements
31 March 2022 (Cont'd)

30. DEFERRED TAX LIABILITIES (CONT'D)

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows: (Cont'd)

	Accelerated capital allowances RM
Group	
Deferred tax liabilities	
At 1 April 2021	3,166,823
Recognised in profit or loss	110,116
Under provision in prior years	(472,811)
At 31 March 2022	2,804,129
Deferred tax liabilities	
At 1 April 2020	3,106,680
Recognised in profit or loss	(54,250)
Over provision in prior years	114,393
At 31 March 2021	3,166,823

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Unutilised capital allowances	10,332,116	9,479,982	948,240	825,612
Unutilised tax losses	74,718,259	48,699,528	31,887,898	18,416,338
Unutilised reinvestment allowances	38,093	38,093	-	-
	85,088,468	58,217,603	32,836,138	19,241,950

Deferred tax assets have not been recognised in respect of these items as they may not have sufficient taxable profits to be used to offset or they have arisen in subsidiary companies that have a recent history of losses.

Notes To The Financial Statements
31 March 2022 (Cont'd)

30. DEFERRED TAX LIABILITIES (CONT'D)

The amounts of unutilized tax losses for which no deferred tax asset is recognised in the statements of financial position are as follows:

	Group		Company	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Unutilised tax losses				
- expiring not more than six years	69,229,538	42,749,868	27,098,884	12,507,538
- expiring not more than seven years	5,488,721	5,949,660	4,789,014	5,908,800
	74,718,259	48,699,528	31,887,898	18,416,338

Deferred tax assets have not been recognised on the unutilised tax losses as the realisation of the tax benefits accruing to these tax losses is uncertain.

(a) With effect from year of assessment 2019, unutilised tax losses are allowed to be carried forward up to a maximum of seven consecutive years of assessment under the current tax legislation. The other temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future profits will be available against which the Group and the Company can utilise the benefits therefrom.

31. TRADE PAYABLES

The Group's normal trade credit terms range from 30 to 150 days (2021: 30 to 150 days), depending on the terms of contracts.

32. OTHER PAYABLES

	Group		Company	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Other payables	4,342,267	2,927,588	294,499	180
Deposits	255,800	1,105,285	192,500	192,500
Accruals	1,626,973	2,002,937	536,877	1,095,483
	6,225,040	6,035,810	1,023,876	1,288,163

Notes To The Financial Statements
31 March 2022 (Cont'd)

33. CONTINGENCIES

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Secured				
Bank guarantee issued in favour of third parties by certain subsidiary companies	5,992,600	5,064,400	-	-
Unsecured				
Corporate guarantee given to financial institution for credit facilities granted to subsidiary companies	29,895,966	-	14,947,983	16,105,681
Corporate guarantee given to suppliers of subsidiary companies for credit terms granted to subsidiary companies	2,666,364	-	1,333,182	12,575,574
	38,554,930	5,064,400	16,281,165	28,681,255

34. CAPITAL COMMITMENT

	Group	
	2022 RM	2021 RM
Approved and contracted for	8,230,847	-

35. RELATED PARTIES DISCLOSURES

(a) Identifying related parties

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

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

Notes To The Financial Statements
31 March 2022 (Cont'd)

35. RELATED PARTIES DISCLOSURES (CONT'D)

(b) Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. In addition to the related party balances disclosed in elsewhere in the financial statements, the significant related party transactions of the Group and of the Company are as follows:

	2022 RM	2021 RM
Group		
Transaction with Directors		
Acquisition of shares in Uniqa previously held by a director	-	1,556,210
Rental expenses	88,000	64,000
Company		
Transactions with subsidiary companies		
Management fees received	2,178,000	1,764,000
Interest expenses	59,691	-
Repayment of loan	431,879	-
Rental expenses	245,880	142,280
Rental income	42,000	-

(c) Compensation of key management personnel

Remuneration of Directors and other members of key management are as follows:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Fees	200,150	235,333	200,150	191,833
Salaries, wages and other emoluments	8,157,858	7,317,116	6,751,063	5,722,063
Defined contribution plans	942,253	788,388	770,302	598,174
Others benefits	24,100	52,513	4,000	37,713
	9,324,361	8,393,350	7,725,515	6,549,783

Notes To The Financial Statements
31 March 2022 (Cont'd)

36. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below show the details changes in the liabilities of the Group and of the Company arising from financing activities, including both cash and non-cash changes:

				Non-cash changes		
Group	**Note**	**At 1 April RM**	**Financing cash flows (i) RM**	**Addition RM**	**De-recognition RM**	**At 31 March RM**
2022						
Hire purchase	29	611,604	(577,218)	2,908,379	-	2,942,765
Lease liabilities	29	4,405,910	(631,691)	391,471	-	4,165,690
Term loans	29	27,061,735	(4,006,490)	14,000,000	-	37,055,245
Short-term borrowings	29	827,456	(5,066,447)	5,937,502	-	1,698,511
		32,906,705	(10,281,846)	23,237,352	-	45,862,211
2021						
Hire purchase		3,111,291	(1,875,856)	1,744,000	(2,367,831)	611,604
Lease liabilities	29	630,927	(687,966)	5,081,507	(618,558)	4,405,910
Term loans	29	10,218,565	15,297,847	1,545,323	-	27,061,735
Short-term borrowings	29	2,324,000	(1,496,544)	-	-	827,456
		16,284,783	11,237,481	8,370,830	(2,986,389)	32,906,705
Company						
2022						
Hire purchase	29	27,096	(67,818)	142,776	-	102,054
Lease liabilities	29	259,807	(266,840)	-	-	(7,033)
		286,903	(334,658)	142,776	-	95,021
2021						
Hire purchase	29	61,361	(34,265)	-	-	27,096
Lease liabilities	29	444,342	(244,687)	60,152	-	259,807
		505,703	(278,952)	60,152	-	286,903

(i) The cash flows from hire purchase, lease liabilities and bank borrowings make up the net amount of proceeds from or repayments of hire purchase, lease liabilities and bank borrowings in the statements of cash flows.

Notes To The Financial Statements
31 March 2022 (Cont'd)

37. SEGMENT INFORMATION

The Group comprises the following main business segments which are based on the Group's management and internal reporting structure as follows:

Quarry products	: Provision of turnkey and specialised quarry services and sales and marketing of quarry products
Civil engineering	: Specialised civil engineering works
Premix products	: Manufacturing and trading of premix products
Bituminous products	: Manufacturing and trading bituminous products
Others	: Investment holding, provision of managerial services, rental of machinery and trading of industrial machinery spare parts

Performance is measured based on the segment revenue and profit before tax, interest, depreciation and amortisation, as included in the internal management reports that are reviewed by the Chief Executive Officer. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Segment assets

The total of segment assets is measured based on all assets (including goodwill) of a segment, as included in the internal management reports that are reviewed by the Chief Executive Officer. Segment total asset is used to measure the return of assets of each segment.

Segment liabilities

The total of segment liabilities is measured based on all liabilities of a segment, as include in the internal management reports that are reviewed by the Chief Executive Officer.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment and investment property.

Allocation basis and inter-segment pricing

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Transactions between segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation. The measurement basis and classification are consistent with those adopted in the previous financial years.

37. SEGMENT INFORMATION (CONT'D)

Allocation basis and inter-segment pricing (Cont'd)

Group

	Quarry products RM	Civil engineering RM	Premix products RM	Bituminous products RM	Services RM	Others RM	Consolidation adjustment RM	Total RM	Quarry products (discontinued) RM	Consolidation RM
2022										
Revenue										
External customers	3,202,391	55,511,250	-	15,161,147	7,514,934	4,001,228	-	85,390,950	2,785,489	88,176,439
Inter-segment	-	-	-	-	-	2,178,000	(2,178,000)	-	-	-
Total revenue	3,203,391	55,511,250	-	15,161,147	7,514,934	6,179,228	(2,178,000)	85,390,950	2,785,489	88,176,439
Results										
Segment results	(1,466,836)	2,812,842	-	450,953	(6,317,177)	(19,704,844)	940,331	(23,284,731)	94,151	(23,190,579)
Interest income	-	116,176	-	33	81	37,553	-	153,843	8,000	161,843
Finance costs								(1,215,548)	(95,375)	(1,311,000)
Loss before tax								(24,346,550)	6,776	(24,339,659)
Taxation								(852,198)	-	(852,198)
Loss for the financial year								(25,198,748)	6,776	(25,191,857)
Assets										
Segment assets	4,883,853	58,924,161	-	10,981,302	23,596,728	160,516,810	(74,861,076)	183,978,778	-	183,978,778
Liabilities										
Segment liabilities	31,520,495	33,482,196		4,497,795	26,028,617	87,647,443	(82,300,268)	100,876,278	-	100,876,278

Notes To The Financial Statements
31 March 2022 (Cont'd)

37. SEGMENT INFORMATION (CONT'D)

Allocation basis and inter-segment pricing (Cont'd)

Group

	Quarry products RM	Civil engineering RM	Premix products RM	Bituminous products RM	Services RM	Others RM	Con-solidation adjustment RM	Total RM	Quarry products (dis-continued) RM	Con-solidation RM
2022										
Other non-cash items										
Amortisation of right-of-use assets	-	129,605	-	-	-	571,638	(154,211)	547,032	-	547,032
Amortisation of quarry development expenditure	18,895	-	-	-	-	-	-	18,895	-	18,895
Depreciation of property, plant and equipment	30,058	563,295	150,408	294,872	206,100	142,425	(43,646)	1,343,512	-	1,343,512
Impairment losses on:										
- other receivables	1,083,642	-	-	-	-	-	-	1,083,642	-	1,083,642
- amount due from subsidiary companies	33,460	-	-	-	-	-	-	33,460	-	33,460
Reversal of:										
- Amount owing by subsidiary companies	-	-	-	-	-	6,600,000	-	6,600,000	-	6,600,000

Notes To The Financial Statements
31 March 2022 (Cont'd)

37. SEGMENT INFORMATION (CONT'D)

Allocation basis and inter-segment pricing (Cont'd)

Group	Quarry products RM	Civil engineering RM	Premix products RM	Bituminous products RM	Services RM	Others RM	Con-solidation adjustment RM	Total RM	Quarry products (dis-continued) RM	Con-solidation RM
2021										
Revenue										
External customers	3,768,201	54,935,555	-	11,400,019	24,332,231	584,824	-	95,020,830	15,019,763	110,040,593
Inter-segment	-	-	-	-	-	1,764,000	(1,764,000)	-	-	-
Total revenue	3,768,201	54,935,555	-	11,400,019	24,332,231	2,348,824	(1,764,000)	95,020,830	15,019,763	110,040,593
Results										
Segment results	1,014,779	9,166,731	(326,241)	375,329	3,676,855	(7,221,848)	(1,891,858)	4,793,747	182,016	4,975,763
Interest income								307,527	-	307,527
Finance costs								(1,085,305)	(270,751)	(1,356,056)
Loss before tax								4,015,969	(88,735)	3,927,234
Taxation								(3,118,724)	(93,130)	(3,211,854)
Loss for the financial year								897,245	(181,865)	715,380
Assets										
Segment assets	6,542,164	52,190,840	2,234,594	10,035,875	28,648,107	121,607,753	(58,895,772)	162,363,561	31,254,515	193,618,076
Liabilities										
Segment liabilities	21,488,468	28,338,227	12,407,266	3,808,764	22,853,768	52,970,594	(61,517,664)	80,349,423	20,927,838	101,277,261

Notes To The Financial Statements
31 March 2022 (Cont'd)

37. SEGMENT INFORMATION (CONT'D)

Allocation basis and inter-segment pricing (Cont'd)

Group

	Quarry products RM	Civil engineering RM	Premix products RM	Bituminous products RM	Services RM	Others RM	Con-solidation adjustment RM	Total RM	Quarry products (dis-continued) RM	Con-solidation RM
2021										
Other non-cash items										
Amortisation of right-of-use assets	11,164	130,981	-	-	-	537,248	(267,477)	411,916	-	411,916
Amortisation of quarry development expenditure	-	-	-	-	-	-	-	-	-	-
Depreciation of property, plant and equipment	28,722	621,070	523,400	304,133	-	128,126	-	1,605,451	-	1,605,451
Depreciation of investment properties	-	3,363	-	-	-	124,388	-	127,751	-	127,751
Amortisation of intangible assets	-	-	-	-	-	-	-	-	-	-
Impairment losses on:										
- other receivables	53,443	-	-	-	-	-	-	53,443	-	53,443
- amount due from subsidiary companies	-	-	-	-	-	1,211,858	(1,211,858)	-	-	-
Unrealised foreign exchange (gain)/loss	-	-	-	23,582	-	(120,084)	-	(96,502)	-	(96,502)
Reversal of:										
- Amount owing by subsidiary companies	-	-	-	-	-	(2,589,164)	2,589,164	-	-	-

Notes To The Financial Statements
31 March 2022 (Cont'd)

37. SEGMENT INFORMATION (CONT'D)

Adjustment and eliminations

Interest income and finance costs are not allocated to individual segments as the underlying instruments are managed on a group basis.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.

Inter-segment revenues and balances are eliminated on consolidation.

Geographic information

No disclosure on geographical segment information as the Group operates predominantly in Malaysia.

Major customer

No disclosure on major customer information as no customer represents equal or more than ten percent of the Group's revenue.

38. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in Note 3 describe how the classes of the financial instruments are measured, and how income and expenses including fair values gain or loss, are recognised.

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned and therefore by the measurement basis:

	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities measured at amortised cost RM	Total RM
Group				
2022				
Financial Assets				
Trade receivables	-	35,410,039	-	35,410,039
Other receivables	-	13,514,416	-	13,514,416
Other investments	2,510,355	-	-	2,510,355
Fixed deposits with licensed banks	-	6,398,940	-	6,398,940
Cash and bank balances	-	10,028,337	-	10,028,337
	2,510,355	65,351,732	-	67,862,087

Notes To The Financial Statements
31 March 2022 (Cont'd)

38. FINANCIAL INSTRUMENTS (CONT'D)

(a) Classification of financial instruments (Cont'd)

	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities measured at amortised cost RM	Total RM
Group				
2022				
Financial Liabilities				
Trade payables	-	-	42,730,877	42,730,877
Other payables	-	-	6,225,040	6,225,040
Loans and borrowings	-	-	48,420,260	48,420,260
	-	-	97,376,177	97,376,177
2021				
Financial Assets				
Trade receivables	-	18,287,336	-	18,287,336
Other receivables	-	2,493,569	-	2,493,569
Amount due from an associate	-	9,790,537	-	9,790,537
Other investments	466,078	-	-	466,078
Fixed deposits with licensed banks	-	7,492,841	-	7,492,841
Cash and bank balances	-	15,054,613	-	15,054,613
	466,078	53,118,896	-	53,584,974
Financial Liabilities				
Trade payables	-	-	32,463,711	32,463,711
Other payables	-	-	6,035,810	6,035,810
Loans and borrowings	-	-	37,132,140	37,132,140
	-	-	75,631,661	75,631,661

Notes To The Financial Statements
31 March 2022 (Cont'd)

38. FINANCIAL INSTRUMENTS (CONT'D)

(a) Classification of financial instruments (Cont'd)

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned and therefore by the measurement basis: (Cont'd)

	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities measured at amortised cost RM	Total RM
Company				
2022				
Financial Assets				
Other receivables	-	5,180,942	-	5,180,942
Amount due from an associate	-	-	-	-
Amount due from subsidiary companies	-	36,294,792	-	36,294,792
Other investments	2,094,754	-	-	2,094,754
Cash and bank balances	-	1,823,451	-	1,823,451
	2,094,754	43,299,185	-	45,393,939
Financial Liabilities				
Other payables	-	-	1,023,876	1,023,876
Amount due to subsidiary companies	-	-	2,150,452	2,150,452
Loans and borrowings	-	-	102,055	102,055
	-	-	3,276,383	3,276,383
2021				
Financial Assets				
Other receivables	-	48,212	-	48,212
Amount due from an associate	-	9,790,537	-	9,790,537
Amount due from subsidiary companies	-	14,847,166	-	14,847,166
Other investments	57,200	-	-	57,200
Cash and bank balances	-	1,599,831	-	1,599,831
	57,200	26,285,746	-	26,342,946
Financial Liabilities				
Other payables	-	-	1,288,163	1,288,163
Amount due to subsidiary companies	-	-	2,820,300	2,820,300
Loans and borrowings	-	-	286,903	286,903
	-	-	4,395,366	4,395,366

Notes To The Financial Statements
31 March 2022 (Cont'd)

38. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies

The Group's and the Company's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's and of the Company's operations whilst managing its credit, liquidity, foreign currency and interest rate risks. The Group and the Company operate within clearly defined guidelines that are approved by the Board and the Group's and the Company's policy is not to engage in speculative transactions.

The following sections provide details regarding the Group's and the Company's exposure to the above mentioned financial risks and the objectives, policies and processes for the management of these risks:

(i) Credit risk

Credit risk is the risk of a financial loss to the Group and to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers, amount due from associates and deposits with banks. The Company's exposure to credit risk arises principally from loans and advances to subsidiary companies and financial guarantees given to banks for credit facilities granted to subsidiary companies. There are no significant changes as compared to prior periods.

The Group and the Company have adopted a policy of only dealing with creditworthy counterparties. Management has a credit policy in place to control credit risk by dealing with creditworthy counterparties and deposits with banks with good credit rating. The exposure to credit risk is monitored on an ongoing basis and action will be taken for long outstanding debts.

The Company provides unsecured loans and advances to subsidiary companies. It also provides unsecured financial guarantees to banks for banking facilities granted to supplier of certain subsidiary companies. The Company monitors on an ongoing basis the results of the subsidiary companies and repayments made by the subsidiary companies.

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

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

Notes To The Financial Statements
31 March 2022 (Cont'd)

38. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

(i) Credit risk (Cont'd)

The carrying amounts of the financial assets recorded on the statements of financial position at the end of the reporting period represent the Group's and the Company's maximum exposure to credit risk except for corporate guarantees provided to banks and suppliers for banking facilities and credit terms granted to certain subsidiary companies. The Company's maximum exposure in this respect is RM5,064,400 (2021: RM28,681,255). There was no indication that any subsidiary companies would default on repayment as at the end of the reporting period.

The Group has no significant concentration of credit risk as its exposure spread over a large number of customers. The Company has no significant concentration of credit risks except for loans and advances to its subsidiary companies where risks of default have been assessed to be low.

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

(ii) Liquidity risk

Liquidity risk refers to the risk that the Group or the Company will encounter difficulty in meeting its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group's and the Company's funding requirements and liquidity risk are managed with the objective of meeting business obligations on a timely basis. The Group and the Company finances its liquidity through internally generated cash flows and minimises liquidity risk by keeping committed credit lines available.

The following table analyses the remaining contractual maturity for non derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay.

Notes To The Financial Statements
31 March 2022 (Cont'd)

38. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

Group	On demand or within 1 year RM	1 to 2 years RM	2 to 5 years RM	After 5 years RM	Total contractual cash flows RM	Total carrying amount RM
2022						
Non-derivative financial liabilities						
Trade payables	42,730,877	-	-	-	42,730,877	42,730,877
Other payables	6,225,040	-	-	-	6,225,040	6,225,040
Hire purchase	824,544	762,503	1,734,260	-	3,321,307	2,942,765
Lease liabilities	10,120	6,843,523	-	-	6,853,643	4,165,690
Bank borrowings	29,182,824	1,011,633	4,756,376	6,360,972	41,311,805	41,311,805
	78,973,405	8,617,659	6,490,636	6,360,972	100,442,672	97,376,177
2021						
Non-derivative financial liabilities						
Trade payables	32,463,711	-	-	-	32,463,711	32,463,711
Other payables	6,035,810	-	-	-	6,035,810	6,035,810
Hire purchase	345,764	168,930	132,150	-	646,844	611,604
Lease liabilities	484,160	371,520	1,080,000	5,400,000	7,335,680	4,405,910
Bank borrowings	19,621,804	2,865,722	3,469,871	6,157,229	32,114,626	32,114,626
	58,951,249	3,406,172	4,682,021	11,557,229	78,596,671	75,631,661

38. FINANCIAL INSTRUMENTS (CONT'D)

(ii) Liquidity risk (Cont'd)

Company	On demand or within 1 year RM	1 to 2 years RM	2 to 5 years RM	After 5 years RM	Total contractual cash flows RM	Total carrying amount RM
2022						
Non-derivative financial liabilities						
Other payables	1,023,878	-	-	-	1,023,878	1,023,878
Amount due to subsidiary companies	2,150,452	-	-	-	2,150,452	2,150,452
Hire purchase	66,978	35,077	-	-	102,055	102,055
Lease liabilities	-	-	-	-	-	-
Corporate guarantee *	5,064,400	-	-	-	5,064,400	-
	8,305,708	35,077	-	-	8,340,785	3,276,385
2021						
Non-derivative financial liabilities						
Other payables	1,288,163	-	-	-	1,288,163	1,288,163
Amount due to subsidiary companies	2,820,300	-	-	-	2,820,300	2,820,300
Hire purchase	27,762	-	-	-	27,762	27,096
Lease liabilities	266,640	-	-	-	266,640	259,807
Corporate guarantee *	28,681,256	-	-	-	28,681,256	-
	33,084,121	-	-	-	33,084,121	4,395,366

* The corporate guarantee are financial guarantees given to banks and suppliers for banking facilities and credit terms granted to certain subsidiary companies.

Notes To The Financial Statements
31 March 2022 (Cont'd)

38. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risks

(a) Foreign currency risk

The Group and the Company are exposed to foreign currency risk on transactions that are denominated in foreign currencies other than the respective functional currencies of group entities. The currencies giving rise to this risk are primarily United States Dollar (USD).

The Group and the Company have not entered into any derivative instruments for hedging or trading purposes as the net exposure to foreign currency risk is not significant. Where possible, the Group and the Company will apply natural hedging by selling and purchasing in the same currency. However, the exposure to foreign currency risk is monitored from time to time by management.

The carrying amounts of the Group's and of the Company's foreign currency denominated financial assets and financial liabilities at the end of the reporting period are as follows:

Denominated in USD

	Group	
	2022 RM	**2021 RM**
Trade receivables	298,902	526,369
Fixed deposits with licensed banks	-	-
Cash and bank balances	66,981	246,993
Trade payables	-	(121,485)
Other payables	(102,052)	(12,262)
	263,831	639,615

	Company	
	2022 RM	**2021 RM**
Amount due to a subsidiary company	(887,842)	(958,496)

<u>Foreign currency sensitivity analysis</u>

Foreign currency risk arises from group entities which have a RM functional currency. The exposure to currency risk of group entities which do not have a RM functional currency is not material and hence, sensitivity analysis is not presented.

Notes To The Financial Statements
31 March 2022 (Cont'd)

38. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risks (Cont'd)

(a) Foreign currency risk (Cont'd)

Foreign currency sensitivity analysis (Cont'd)

The following table demonstrates the sensitivity of the Group's and of the Company's loss before tax to a reasonably possible change in the USD exchange rates against RM, with all other variables held constant.

	2022 Changes in currency rate RM	2022 Effect on loss before tax RM	2021 Changes in currency rate RM	2021 Effect on loss before tax RM
Group				
USD	Strengthened 10%	(26,383)	Strengthened 10%	(63,962)
	Weakened 10%	26,383	Weakened 10%	63,962

(b) Interest rate risk

The Group's and the Company's fixed rate deposits placed with licensed banks and borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's and the Company's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

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

The Group and the Company manage their interest rate risk exposure from interest bearing borrowings by obtaining financing with the most favourable interest rates in the market. The Group and the Company constantly monitor their interest rate risk by reviewing its debts portfolio to ensure favourable rates are obtained. The Group and the Company do not utilise interest swap contracts or other derivative instruments for trading or speculative purposes.

Notes To The Financial Statements
31 March 2022 (Cont'd)

38. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risks (Cont'd)

(b) Interest rate risk (Cont'd)

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

	2022 RM	2021 RM
Group		
Fixed rate instruments		
Financial asset		
Fixed deposits with licensed banks	6,398,940	7,492,841
Financial liability		
Hire purchase	2,942,765	611,604
Lease liabilities	4,165,690	4,405,910
	13,507,395	12,510,355
Floating rate instruments		
Financial liabilities		
Term loans	37,055,245	27,061,735
Bank overdrafts	2,558,049	4,225,435
Bankers' acceptance	1,698,511	827,456
	41,311,805	32,114,626

	2022 RM	2021 RM
Company		
Fixed rate instruments		
Financial liability		
Hire purchase	102,055	27,096
Lease liabilities	-	259,807

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Notes To The Financial Statements
31 March 2022 (Cont'd)

38. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risks (Cont'd)

(b) Interest rate risk (Cont'd)

Cash flow sensitivity analysis for floating rate instruments

A change in 1% interest rate at the end of the reporting period would have increased/(decreased) the Group's loss before tax by RM413,118 (2021: RM321,146) arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. This analysis assumes that all other variables remain constant. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(c) Fair value of financial instruments

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

The carrying amount of long-term floating rate loans and borrowings approximately their fair value as the loans and borrowings will be re-paid to market interest rate on or near reporting date.

It was not practicable to estimate the fair value of investment in unquoted equity due to the lack of comparable quoted prices in an active market and the fair value cannot be reliably measured.

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

	Fair value of financial instruments not carried at fair value			Carrying amount
	Level 1 RM	Level 2 RM	Level 3 RM	RM
Group				
2022				
Financial liability				
Finance lease payables	-	2,942,765	-	2,942,765
2021				
Financial liability				
Finance lease payables	-	611,604	-	611,604
Company				
2022				
Financial liability				
Finance lease payables	-	32,959	-	32,959
2021				
Financial liability				
Finance lease payables	-	27,096	-	27,096

Notes To The Financial Statements
31 March 2022 (Cont'd)

38. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair value of financial instruments (Cont'd)

(i) Policy on transfer between levels

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

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

(ii) Level 1 fair value

Level 1 fair value is derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

(iii) Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level I that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

<u>Non-derivative financial instruments</u>
Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period.

(iv) Level 3 fair value

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

39. CAPITAL MANAGEMENT

The Group's and the Company's objectives when managing capital are to safeguard the Group's and Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Notes To The Financial Statements
31 March 2022 (Cont'd)

39. CAPITAL MANAGEMENT (CONT'D)

The Group and the Company monitor capital using a gearing ratio. The Group's and Company's policy is to maintain a prudent level of gearing ratio that complies with debt covenants and regulatory requirements. The gearing ratios at the end of the reporting period are as follows:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Total loans and borrowings	48,420,260	37,132,140	102,055	286,902
Less: Cash and cash equivalents (excluded bank overdrafts)	(10,028,337)	(15,054,613)	(3,918,205)	(1,599,831)
Net debts	38,391,923	22,077,527	(3,816,150)	(1,312,929)
Total equity	83,102,532	92,340,815	80,222,927	73,741,233
Gearing ratio (times)	0.46	0.24	-	-

There were no changes in the Group's approach to capital management during the financial year.

40. LITIGATION AND CLAIMS MATTERS

The Group is not engaged in any material litigation cases as at the date of this report other than the following:

(a) Kuala Lumpur High Court Suit No. S-22NCVC-288-04/2013 ("Suit 288")

The Trial for Suit 288 and the below stated Suit 433 had proceeded at the Kuala Lumpur High Court before Y.A. Datin Hajah Azizah on 23rd, 24th, 25th and 26th October 2017, 13th and 23rd November 2017.

The Judge had on 20th April 2018 found the termination by Sri Manjung Granite Quarry Sdn Bhd ("SMGQ") to be unlawful and had ordered SMGQ to pay damages to Optimis Dinamik Sdn Bhd ("ODSB") (the quantum of damages is to be assessed by the Court Registrar) together with interest thereon at the rate of 5% per annum from the date of the Writ of Summon dated 1 April 2013 until full payment and costs of RM80,000.

As regards to SMGQ's Counterclaim, the High Court only allowed SMGQ's counterclaim for the outstanding tribute payment of RM256,300 owing by ODSB which is to be deducted (set-off) from the damages assessed to be paid by SMGQ to ODSB. The Counterclaim of RM256,300 allowed by the High Court in Suit 288 should have no financial impact on the Group as it is to be deducted (set-off) against damages to be paid by SMGQ to ODSB.

On 15th May 2018, SMGQ filed their appeal against the High Court's decision in Suit 288 ("SMGQ's Appeal").

ODSB had filed Notice of Direction to the High Court for the assessment of damages. The Judge ordered for the assessment of damages to be stayed pending the disposal of SMGQ's Appeal.

SMGQ's Appeal was heard on 31st March 2021. The Court of Appeal dismissed SMGQ's Appeal and upheld the High Court's decision in deciding that SMGQ has unlawfully terminated ODSB's contract and the damages should only be given to ODSB.

Notes To The Financial Statements
31 March 2022 (Cont'd)

40. LITIGATION AND CLAIMS MATTERS (CONT'D)

The Group is not engaged in any material litigation cases as at the date of this report other than the following: (Cont'd)

(a) Kuala Lumpur High Court Suit No. S-22NCVC-288-04/2013 ("Suit 288") (Cont'd)

On 29 April 2021, SMGQ filed a leave application at the Federal Court. On 15 September 2021, the Federal Court dismissed SMGQ's application for leave to appeal with cost of RM15,000.00. Therefore, the High Court's decision in deciding that SMGQ has unlawfully terminated ODSB's contract and the damages should only be given to ODSB is upheld. Now, it is pending the hearing date for the assessment of damages at High Court to be fixed.

(b) Kuala Lumpur High Court Suit No. 22NCVC-433-09/2014 ("Suit 433")

As stated above, Suit 433 and Suit 288 were tried together.

The Judge had on 20th April 2018 dismissed ODSB, Minetech Quarries Sdn. Bhd. and K.S. Chin Minerals Sdn. Bhd.'s claim against SMGQ and its 3 Directors, namely Mr. Moo Khean Choong @ Mu Kan Chong, Ms. Low Sow Fong and Mr. Atma Singh @ Atma Singh Lahre s/o Keer Singh, with costs of RM50,000.

ODSB, Minetech Quarries Sdn Bhd and K.S. Chin Mineral Sdn Bhd had on 18th May 2018 filed an appeal to the Court of Appeal against the High Court's decision in Suit 433 ("ODSB's Appeal").

The appeal was heard on 31st March 2021. The Court of Appeal has dismissed the appeal.

The estimated legal fees to be incurred by the Group in the engagement of solicitors to litigate the above-mentioned litigation cases are approximately RM50,000

41. SIGNIFICANT EVENTS

During the financial period, the following significant events took place for the Company and its subsidiaries companies:

(i) Diman KS Chin Sdn Bhd (a wholly-owned subsidiary) had on 7 January 2022, entered into a teaming agreement with Vitamin 2U Sdn Bhd to work together for a project that involves import and trading of processed food in Malaysia from a South Korean food manufacturer, namely Samyang Food Co Ltd ("Teaming Agreement"); and in conjunction with the Teaming Agreement, the Company proposes to diversify the existing principal activities of Minetech and its subsidiaries to include the trading business of food and beverage.

(ii) Minetech Asphalt Man International Sdn Bhd, an 85%-owned subsidiary of the Company had on 20 May 2021 entered into a Memorandum of Understanding("MOU") with Seltrade Sdn Bhd ("Seltrade") to establish joint collaboration by supplying raw material including but not limited to cold mix, hot mix and emulsion to Seltrade for maintenance project of Selangor's state road awarded by Jabatan Kerja Negeri Selangor. On 25 February 2022, the Board of Directors announced that there has been no further material development since the previous annoucement.

Notes To The Financial Statements
31 March 2022 (Cont'd)

42. SUBSEQUENT EVENT

(i) Minetech Construction Sdn Bhd ("MCSB") (a wholly-owned subsidiary) had on 10 March 2022 and 1 April 2022, accepted a Letter of Award from GLM Emerald Square (Cheras) Sdn Bhd appointing MCSB as a contractor for the execution and completion of External Link Bridge, Covered Walkway and Associated Works for the proposed Emerald 9 Cheras Development on Lot 809 and 810, Mukim Cheras, daerah Hulu Langat, Selangor Darul Ehsan. This project is expected to commence on 1 April 2022 and shall be completed by 30 November 2022.

(ii) Medium Visa Sdn Bhd ("MVSB") (a wholly-owned subsidiary) and Harapan Iringan Sdn Bhd ("HISB") (a wholly-owned subsidiary) have at 10 May 2022 entered into a Sale and Purchase Agreement with Alliance EV Sdn Bhd in relation to the disposal of three (3) units of leasehold land in Mukim Hulu Bernam Timor, Daerah Muallim, Negeri Perak for a total sale consideration of RM12,000,000. The leasehold land has been classified as asset held for sale as at 31 March 2022 as disclosed in Note 25.

43. COMPARATIVE NOTE

During the financial year, the Company made comparative adjustments to adjust and reclass the followings:

	As previously reported RM	Reclassification RM	As restated RM
Group			
Statement of profit or loss and other comprehensive income			
Finance cost	1,085,305	(116,662)	968,643
Administrative cost	14,740,385	170,105	14,910,490
Net loss on impairment of financial instruments	53,443	(53,443)	-
Company			
Statement of profit or loss and other comprehensive income			
Finance cost	114,468	(1,836)	112,632
Administrative cost	9,821,698	1,213,694	11,035,392
Net loss on impairment of financial instruments	1,211,858	(1,211,858)	-

44. DATE OF AUTHORISATION FOR ISSUE

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 20 July 2022.

LIST OF PROPERTIES
AS AT 31 MARCH 2022

No	Name of Registered Owner/ Postal Address/ Title Identification	Approximate Age of Building/ Tenure/ Date of Expiry of Lease	Description and Existing Use/Date of Acquisition	Approximate Land Area/ Built Up Area (square metres)	Net Book Value @ 31 March 2022 (RM)
			Minetech Resources Berhad		
1	Lot 345761 (formerly known as PT 183213) held under Master Title No. PN 349139 **Mukim of Hulu Kinta District of Kinta Perak Darul Ridzuan**	99 years leasehold/ Expiring on 16 June 2101	Vacant residential development land 30 November 2016	7,924	6,000,000
			Medium Visa Sdn Bhd		
1	Lot PT 17209 held under Title No. HS(D) 336 **Mukim Hulu Bernam Timor District Muallim Perak Darul Ridzuan**	99 years leasehold/ Expiring on 8 December 2107	Vacant industrial lands 21 April 2016	7,001.7	500,000
2	Lot PT 17211 held under Title No. HS(D) 357 **Mukim Hulu Bernam Timor District Muallim Perak Darul Ridzuan**	99 years leasehold/ Expiring on 8 December 2107	Vacant industrial lands 21 April 2016	117,135	6,200,000
			Harapan Iringan Sdn Bhd		
1	Lot PT 17210 held under Title No. HS(D) 351 **Mukim Hulu Bernam Timor District Muallim Perak Darul Ridzuan**	99 years leasehold/ Expiring on 8 December 2107	Vacant industrial lands 4 April 2016	99,730	5,300,000
			Minetech Construction Sdn Bhd		
1	Unit A6-02 and A6-04 Plaza Dwitasik No. 21 Jalan 5/106 Bandar Seri Permaisuri 56000 Kuala Lumpur **Phase 1, Level 6 Unit No. 13.2 and 14.2 Storey Level 6 Block A Plaza Dwitasik PN 27024 Lot 51975 Mukim Kuala Lumpur Daerah Kuala Lumpur**	20 years/99 years leasehold/Expiring on 11 January 2095	1 commercial office units currently rented to third party 18 January 1996	- 879	253,108

List of Properties
As at 31 March 2022 (Cont'd)

No	Name of Registered Owner/ Postal Address/Title Identification	Approximate Age of Building/ Tenure/ Date of Expiry of Lease	Description and Existing Use/Date of Acquisition	Approximate Land Area/ Built Up Area (square metres)	Net Book Value @ 31 March 2022 (RM)
		Minetech Construction Sdn Bhd			
2	Unit 123-523, Unit 223A-523A FAS Business Avenue Jalan Perbandaran 47301 Petaling Jaya Selangor Darul Ehsan **Unit 12A-12I HS (D) 85220 PT 14532 Mukim Damansara Daerah Petaling Negeri Selangor Darul Ehsan***	24 years/99 years leasehold/Expiring on 6 December 2092	9 units 5 storeys commercial shop lots 22 November 1994	- 720	974,102
3	D-G-5 – D-5-5 & M-5, Ground Floor to Fifth Floor Block D Parklane Commercial Hub Kelana Jaya Selangor Darul Ehsan **HS(D) 259689, P.T. No. 14532 Mukim Damansara Daerah Petaling Negeri Selangor Darul Ehsan***	9 years/99 years leasehold/Expiring on 6 December 2092	6 ½ units commercial shop office 2 February 2016	- 1,178	6,932,434
		Minetech Realty Sdn Bhd			
1	SA-SM23, SA-SG23, SA-SG25, SA-SG26, SA-SG29 Ukay Perdana **HS(M) 12614 PT 643 and HS(M) 12615 PT 644 both in Bandar Ulu Kelang Tempat Batu 7 Ulu Kelang (Ukay Perdana) Daerah Gombak Negeri Selangor Darul Ehsan***	11 years/99 years leasehold/Expiring on 4 October 2100	4 units commercial shoplots currently rented to third parties 4 units were acquired on 30 April 2004 SA-SG26 was acquired on 10 May 2004	- 731	1,326,659
		Minetech Asphalt Man International Sdn Bhd			
1	Lot 1414 Mukim Ulu Yam District of Hulu Selangor Selangor Darul Ehsan Title: GM 5739	Freehold land and factory building	Freehold land / factory building 27 February 2007	14,416.9	3,799,697
	Grand Total				31,286,000

Note:-

* The land title particulars disclosed are the particulars of the master titles registered under the names of the respective developers. The respective strata titles of properties in Ukay Perdana, FAS Business Avenue and Parklane to the individual commercial shop lots/offices have yet to be issued.

ANALYSIS OF SHAREHOLDINGS
AS AT 30 JUNE 2022

Issued Shares : 1,188,413,800 ordinary shares (including shares held as treasury shares)
Treasury Shares : 285,000 Ordinary Shares
Class of Shares : Ordinary Shares
Voting Rights : One vote per share

ANALYSIS OF SHAREHOLDINGS
Distribution of shareholdings according to size:

Size of Holdings	No. of Shareholders/ Depositors	% of Shareholders/ Depositors	No. of Shares Held	% of Issued Capital
1 - 99	8	0.124	101	0.000
100 - 1,000	657	10.147	357,314	0.030
1,001 - 10,000	1,961	30.286	13,425,365	1.130
10,001 - 100,000	2,956	45.653	119,152,500	10.026
100,001 to less than 5% of issued shares	890	13.745	712,736,920	59.974
5% and above of issued shares	3	0.046	342,741,600	28.840
Total	**6,475**	**100.00**	**1,188,413,800**	**100.00**

SUBSTANTIAL SHAREHOLDERS
(As per Register of Substantial Shareholders)

	<------------- Direct ------------->		<------------ Indirect ------------>	
Name of Shareholder	**No. of Shares held**	**% of Issued Capital#**	**No. of Shares held**	**% of Issued Capital#**
Dato' (Dr). Ts. Awang Daud Bin Awang Putera	264,782,800	22.286	642,000(1)	0.054
Choy Sen @ Chin Kim Sang	128,448,420	10.811	48,056,100(2)	4.045

Notes:
(1) Deemed interested by virtue of the shares held by children.
(2) Deemed interested by virtue of the shares held by spouse and child.
Excluding a total of 285,000 shares bought-back by the Company and retained as treasury shares.

SHAREHOLDINGS OF DIRECTORS
(As per Register of Directors' Shareholdings)

	<------------- Direct ------------->		<------------ Indirect ------------>	
Name of Directors	**No. of Shares held**	**% of Issued Capital#**	**No. of Shares held**	**% of Issued Capital#**
Dato' (Dr). Ts. Awang Daud Bin Awang Putera	264,782,800	22.286	642,000(1)	0.054
Choy Sen @ Chin Kim Sang	128,448,420	10.811	48,056,100(2)	4.045
Chin Leong Choy	47,456,100	3.994	-	-
Awgku Mohd Reza Farzak Bin Awg Daud	1,150,000	0.097	-	-
Azlan Shah Bin Zainal Arif	4,170,000	0.351	-	-
Ahmad Rahizal Bin Dato' Ahmad Rasidi	-	-	-	-
Ahmad Ruslan Zahari Bin Zakaria	-	-	-	-
Datin Feridah Binti Bujang Ismail	150,000	0.013	-	-
Siti Aishah Binti Othman	-	-	-	-
Loke Kim Meng	-	-	39,500,000(3)	3.325

Notes:
(1) Deemed interested by virtue of the shares held by children.
(2) Deemed interested by virtue of the shares held by spouse and child.
(3) Deemed interested by virtue of his interest in WC Realty I Sdn Bhd and WC Dynamic Sdn Bhd via his interest in Widuri Capital Management Sdn Bhd pursuant to Section 8 of the Companies Act 2016:-
  (a) WC Realty I Sdn Bhd - 8,500,000 ordinary shares; and
  (b) WC Dynamic Sdn Bhd - 31,000,000 ordinary shares.
Excluding a total of 285,000 shares bought-back by the Company and retained as treasury shares.

Analysis of Shareholdings
As at 30 June 2022 (Cont'd)

LIST OF TOP 30 SHAREHOLDERS
(without aggregating securities from different securities accounts belonging to the same registered holder)

No.	Name of Shareholders	No. of Shares Held	% of Issued Capital
1.	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR AWANG DAUD BIN AWANG PUTERA (M05)	187,729,900	15.797
2.	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHOY SEN @ CHIN KIM SANG	89,200,000	7.506
3.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR AWANG DAUD BIN AWANG PUTERA (7006114)	65,811,700	5.538
4.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHIN LEONG CHOY	45,973,200	3.868
5.	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD EXEMPT AN FOR AFFIN HWANG ASSET MANAGEMENT BERHAD (TSTAC/CLNT-T)	38,000,000	3.198
6.	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHEW SIOW GEOK	22,500,000	1.893
7.	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHOY SEN @ CHIN KIM SANG (THIRD PARTY)	20,000,000	1.683
8.	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR CHOY SEN @ CHIN KIM SANG (SMART)	19,248,420	1.620
9.	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR TEW BOON TEIK (PB)	17,709,400	1.490
10.	LIM BONG KHAI @ LIM BOON KHAI	13,252,600	1.115
11.	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LO LING	12,702,000	1.069
12.	HONG FOH NYOK	12,232,000	1.029
13.	YEK NAI HWAT	11,300,000	0.951
14.	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR AWANG DAUD BIN AWANG PUTERA	10,441,200	0.879
15.	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR CHEW SIOW GEOK (SMART)	9,500,000	0.799
16.	WC REALTY I SDN. BHD.	8,500,000	0.715
17.	CHEW SIOW GEOK	8,000,000	0.673
18.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIEW TEK KUAN (E-TSA/MSI)	7,195,900	0.606
19.	TEW BOON TEIK	6,877,300	0.579
20.	CHIN SET FAH	6,535,600	0.550
21.	EMMA YAZMEEN YIP BINTI MOHD JEFFREY YIP	6,000,000	0.505
22.	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN JIN THAI (SS2 PJ-CL)	5,800,000	0.488
23.	TAN JIN THAI	5,400,000	0.454
24.	TOH AH WAH	5,396,000	0.454
25.	KENANGA NOMINEES (TEMPATAN) SDN BHD FOO CHEE WEE	5,316,100	0.447
26.	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR HENG TENG KUANG	5,000,000	0.421
27.	LEE KWAN MING	4,864,400	0.409
28.	TONG SIEW KHEY @ TONG SIEW KHENG	4,400,000	0.370
29.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR AZLAN SHAH BIN ZAINAL ARIF	4,170,000	0.351
30.	TAN HUI GEK	3,720,000	0.313
	Total	**662,775,720**	**55.770**

ANALYSIS OF IRREDEEMABLE CONVERTIBLE PREFERENCE SHARE ("ICPS") HOLDINGS
AS AT 30 JUNE 2022

No. of ICPS issued	:	582,664,397
Class of Shares	:	Preference shares
Maturity date	:	12 October 2026
Voting rights	:	The holders of ICPS are not entitled to any voting rights except in circumstances set out in the Company's Constitution

ANALYSIS OF ICPS HOLDINGS
Distribution of ICPS Holdings according to size:

Size of ICPS Holdings	No. of ICPS holders/ Depositors	% of ICPS holders/ Depositors	No. of ICPS Held	% of ICPS
1 - 99	6	0.541	267	0.000
100 - 1,000	37	3.336	25,000	0.004
1,001 -10,000	306	27.592	1,995,400	0.342
10,001 - 100,000	508	45.807	21,232,720	3.644
100,001 to less than 5% of issued ICPS	250	22.543	446,511,360	76.633
5% and above of issued ICPS	2	0.180	112,899,650	19.376
Total	**1,109**	**100.00**	**582,664,397**	**100.00**

SUBSTANTIAL ICPS HOLDERS
(As per Register of Substantial ICPS Holders)

	<------------- Direct ------------->		<------------ Indirect ------------>	
Name of Substantial ICPS Holders	**No. of ICPS held**	**% of ICPS**	**No. of ICPS held**	**% of ICPS**
Dato' (Dr). Ts. Awang Daud Bin Awang Putera	96,420,250	16.548	-	-
Choy Sen @ Chin Kim Sang	83,548,510	14.339	18,986,650[1]	3.259

Notes:
(1) Deemed interested by virtue of the shares held by child.

DIRECTORS' ICPS HOLDINGS
(As per Register of Directors' ICPS Holdings)

	<------------- Direct ------------->		<------------ Indirect ------------>	
Name of Directors	**No. of ICPS held**	**% of ICPS**	**No. of ICPS held**	**% of ICPS**
Dato' (Dr). Ts. Awang Daud Bin Awang Putera	96,420,250	16.548	-	-
Choy Sen @ Chin Kim Sang	83,548,510	14.339	18,986,650[1]	3.259
Chin Leong Choy	18,986,650	3.259	-	-
Awgku Mohd Reza Farzak Bin Awg Daud	-	-	-	-
Azlan Shah Bin Zainal Arif	-	-	-	-
Ahmad Rahizal Bin Dato' Ahmad Rasidi	-	-	-	-
Ahmad Ruslan Zahari Bin Zakaria	-	-	-	-
Datin Feridah Binti Bujang Ismail	-	-	-	-
Siti Aishah Binti Othman	-	-	-	-
Loke Kim Meng	-	-	-	-

Notes:
(1) Deemed interested by virtue of the shares held by child.

Analysis of Irredeemable Convertible Preference Share ("ICPS") Holdings
As at 30 June 2022 (Cont'd)

LIST OF TOP 30 ICPS HOLDERS
(without aggregating securities from different securities accounts belonging to the same registered holder)

No.	Name of ICPS Holders	No. of ICPS Held	% of ICPS
1.	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR AWANG DAUD BIN AWANG PUTERA (M05)	68,299,650	11.722
2.	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHOY SEN @ CHIN KIM SANG	44,600,000	7.654
3.	CHIN YAT YIN	29,000,000	4.977
4.	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR CHOY SEN @ CHIN KIM SANG (SMART)	28,948,510	4.968
5.	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR AWANG DAUD BIN AWANG PUTERA	28,120,600	4.826
6.	OH GAIK IM	24,616,000	4.225
7.	TAN CHIN HOE	20,500,000	3.518
8.	LIM POH FONG	19,839,800	3.405
9.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHIN LEONG CHOY	18,986,600	3.259
10.	SUA TIEN FONG	17,500,000	3.003
11.	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM CHEE BING	13,000,000	2.231
12.	CGS-CIMB NOMINEES (ASING) SDN BHD PIONEER UNITED LIMITED (JS 803)	12,000,000	2.060
13.	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHOY SEN @ CHIN KIM SANG (THIRD PARTY)	10,000,000	1.716
14.	TAN ENG KEAT	10,000,000	1.716
15.	TEO AH SENG	9,933,600	1.705
16.	GV ASIA FUND LIMITED	9,660,200	1.658
17.	KU LIAN SIN	8,500,000	1.459
18.	ONG KENG SENG	7,748,300	1.330
19.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN SUN PING	7,500,000	1.287
20.	VOON JYE WAH	6,000,000	1.030
21.	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM FONG YEE	5,500,000	0.944
22.	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN YONG SIANG	5,000,000	0.858
23.	TYE YONG POU	5,000,000	0.858
24.	YONG CHUN MENG	5,000,000	0.858
25.	CHAN POH YEE	4,800,500	0.824
26.	MAYBANK NOMINEES (TEMPATAN) SDN BHD TAN SUN PING	4,366,900	0.749
27.	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM CHEE BING (SENAI-CL)	4,000,000	0.687
28.	FOO YUK MENG	4,000,000	0.687
29.	NG WOOI YING	3,650,000	0.626
30.	NG BEE BEE	3,229,100	0.554
	Total	**439,299,760**	**75.395**

NOTICE OF THE TWENTIETH ANNUAL GENERAL MEETING

MINETECH RESOURCES BERHAD

Registration No. 200201007880 (575543-X)
(Incorporated in Malaysia)

NOTICE IS HEREBY GIVEN THAT the Twentieth ("**20th**") Annual General Meeting of **MINETECH RESOURCES BERHAD** (the "**Company**" or "**Minetech**") will be conducted as a fully virtual meeting through live streaming and online remote voting using Remote Participation and Voting ("**RPV**") facilities via the online meeting platform of TIIH Online website at https://tiih.online or https://tiih.com.my (Domain registration no. with MYNIC: D1A282781) on Tuesday, 30 August 2022 at 10.00 a.m. for the following purposes:

AGENDA

As Ordinary Business

1.	To receive the Audited Financial Statements for the financial year ended 31 March 2022 together with the Reports of the Directors and Auditors thereon.	(Please refer to Note 1 of the Explanatory Notes)
2.	To approve the payment of Directors' Fees and Benefits Payable to the Directors up to an aggregate amount of RM700,000.00 from this Annual General Meeting ("**AGM**") until the next AGM in 2023.	**Ordinary Resolution 1** (Please refer to Note 2 of the Explanatory Notes)
3.	To re-elect the following Directors of the Company who are retiring pursuant to Clause 97 of the Constitution of the Company:-	
	(a) Mr Choy Sen @ Chin Kim Sang	**Ordinary Resolution 2**
	(b) Encik Azlan Shah Bin Zainal Arif	**Ordinary Resolution 3**
	(c) Puan Siti Aishah Binti Othman	**Ordinary Resolution 4** (Please refer to Note 3 of the Explanatory Notes)
4.	To re-elect Mr Loke Kim Meng as Director of the Company who is retiring pursuant to Clause 105 of the Constitution of the Company.	**Ordinary Resolution 5** (Please refer to Note 3 of the Explanatory Notes)
5.	To re-appoint Messrs. Al Jafree Salihin Kuzaimi PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.	**Ordinary Resolution 6**

As Special Business

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

6. **Authority under Section 76 of the Companies Act 2016 ("the Act") for the Directors to allot and issue shares** — **Ordinary Resolution 7** (Please refer to Note 4 of the Explanatory Notes)

"THAT subject always to the Act, the Constitution of the Company, the Main Market Listing Requirements **("MMLR")** of Bursa Malaysia Securities Berhad **("Bursa Securities")** and the approvals of the relevant governmental or regulatory authorities, where such approval is required, the Directors be and are hereby authorised and empowered pursuant to Section 76 of the Act, to allot and issue shares in the Company at any time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be

Notice of the Twentieth Annual General Meeting (Cont'd)

issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being."

7. **Proposed Renewal of Shareholders' Mandate and Proposed New Shareholders' Mandate for Recurrent Related Party Transactions ("RRPT") of a revenue or trading nature ("Proposed RRPT Mandate")**

Ordinary Resolution 8
(Please refer to Note 5 of the Explanatory Notes)

"THAT approval be and is hereby given to the Company and its subsidiaries **("Minetech Group")** to enter into RRPT of a revenue or trading nature as set out in Section 2.4 of Part A of the Circular to Shareholders dated 29 July 2022 **("Circular")** which are necessary for the Minetech Group's day-to-day operations subject to the following:-

a) the transactions are 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; and

b) the disclosure will be made in the Annual Report of the breakdown of the aggregate value of the RRPT conducted pursuant to the Proposed RRPT Mandate during the financial year on the type of RRPT made, the names of the related parties involved in each type of RRPT and their relationships with the Company.

THAT the authority conferred shall continue to be in force until:-

i) the conclusion of the next AGM of the Company following the forthcoming AGM at which the Proposed RRPT Mandate is approved, at which time it will lapse, unless by a resolution passed at the AGM, the mandate is again renewed;

ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

iii) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby 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 effect to the Proposed RRPT Mandate."

8. **Proposed Renewal of Authority for the Company to Purchase its own Ordinary Shares**

Ordinary Resolution 9
(Please refer to Note 6 of the Explanatory Notes)

"THAT subject to the Act, the Constitution of the Company, the MMLR of Bursa Securities and the approvals of any other relevant governmental and/or regulatory authorities (if any), the Company be and is hereby authorised to purchase the ordinary shares in the Company **("Proposed Renewal of Share Buy-Back Authority")** as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:-

(a) the aggregate number of ordinary shares which may be purchased and/or held by the Company as treasury shares shall not exceed ten per centum (10%) of the total number of issued shares of the Company at any point in time of the said purchase(s);

Notice of the Twentieth Annual General Meeting (Cont'd)

8. **Proposed Renewal of Authority for the Company to Purchase its own Ordinary Shares (Cont'd)**

(b) the maximum funds to be allocated by the Company for the purpose of purchasing its ordinary shares shall not exceed the total retained earnings of the Company at the time of purchase; and

(c) the authority conferred by this resolution shall continue to be in force until:

(i) the conclusion of the next AGM of the Company following the general meeting at which such resolution was passed at which time the said authority shall lapse unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or

(ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or

(iii) revoked or varied by ordinary resolution passed by the shareholders in general meeting

whichever occurs first,

but not so as to prejudice the completion of the purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and/or any other relevant governmental and/or regulatory authorities (if any).

THAT upon completion of the purchase by the Company of its own ordinary shares, the Directors of the Company be and are hereby authorised to deal with the ordinary shares purchased in their absolute discretion in the following manner:-

(a) cancel all the ordinary shares so purchased; and/or
(b) retain the ordinary shares so purchased as treasury shares; and/or
(c) retain part thereof as treasury shares and cancel the remainder.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary (including the opening and maintaining of depository account(s) under the Securities Industry (Central Depositories) Act, 1991) and enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the Proposed Renewal of Share Buy-Back Authority with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time or as the Directors may in their discretion deem necessary and to do all such acts and things as the Directors may deem fit and expedient in the best interests of the Company."

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

BY ORDER OF THE BOARD

TAI YIT CHAN (MAICSA 7009143) (SSM PC No.: 202008001023)
TAN AI NING (MAICSA 7015852) (SSM PC No.: 202008000067)
Company Secretaries

Selangor Darul Ehsan
Date: 29 July 2022

Notice of the Twentieth Annual General Meeting (Cont'd)

NOTES

1. The 20th AGM will be conducted on a fully virtual basis via TIIH Online website at https://tiih.online. Please refer to the Administrative Guide of the 20th AGM for the procedures to register, participate and vote remotely through the RPV facilities.

   The Adminstrative Guide on the conduct of the fully virtual 20th AGM of the Company is available at the Company's website at https://minetech.com.my/reports/.

2. The conduct of the fully virtual 20th AGM is in compliance with Section 327 of the Act and the provisions of the Constitution of the Company. An online meeting platform can be recognised as the meeting venue or place under Section 327(2) of the Act provided that the online platform is located in Malaysia and all meeting participants including Chairman of the meeting, board members, senior management and shareholders are to participate in the meeting online.

3. A member of the Company entitled to attend, participate and vote remotely at the meeting is entitled to appoint a proxy or proxies to attend, participate and vote for his/her behalf. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.

4. A member may appoint up to two (2) proxies to attend and vote at the meeting. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.

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

6. The instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.

7. The appointment of proxy may be made in a hardcopy form or by electronic means, not less than forty-eight (48) hours before the time set for holding the meeting or at any adjournment thereof, as follows:-

   (i) In Hardcopy Form

   The instrument appointing a proxy or proxies and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority, must be deposited with Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur.

   (ii) By Electronic Means

   The instrument appointing a proxy or proxies can be submitted electronically, via TIIH Online website at https://tiih.online. Please refer to the Administrative Guide of the 20th AGM for further information on electronic submission of proxy form via TIIH Online.

   The appointment of the proxy(ies) will be **INVALID** if the Proxy Form/e-Proxy Form is not completed correctly in accordance with the instructions stated in the form.

8. The members, proxies or corporate representatives may submit questions in relation to the resolutions to be tabled at the 20th AGM at https://tiih.online prior to the 20th AGM or to use the query box to transmit questions by typed texts via RPV facilities during live streaming of the 20th AGM of the Company.

Notice of the Twentieth Annual General Meeting (Cont'd)

NOTES (CONT'D)

9. Pursuant to Paragraph 8.29(A) of MMLR of Bursa Securities, all the resolutions at the 20th AGM of the Company shall be put to vote by way of poll.

10. In respect of deposited securities, only members whose names appear on the Record of Depositors on 22 August 2022 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.

EXPLANATORY NOTES ON ORDINARY AND SPECIAL BUSINESS

1. **To receive the Audited Financial Statements**

   The Audited Financial Statements are laid in accordance with Section 340(1)(a) of the Act for discussion only under Agenda 1. They do not require shareholders' approval and hence, **will not be put for voting.**

2. **Ordinary Resolution 1 on Directors' Fees and Benefit Payable**

   The Directors' fees payable includes fees payable to Non-Executive Directors as members of Board and Board Committees from this AGM until the conclusion of the next AGM of the Company in 2023 pursuant to the Act which shareholders' approval will be sought at this 20th AGM in accordance with Section 230 of the Act.

   The Directors' benefits (excluding Directors' Fees) payable to Directors comprises meeting allowance from this AGM until the conclusion of the next AGM of the Company pursuant to the Act which shareholders' approval will be sought at this 20th AGM in accordance with Section 230 of the Act.

3. **Ordinary Resolution 2, 3, 4 and 5 on Re-election of Directors**

   Pursuant to Malaysian Code on Corporate Governance 2021, the profiles of the Directors who are standing for re-election as per Agenda items are as follow:

Description	Ordinary Resolution 2
Name	Choy Sen @ Chin Kim Sang *(Executive Director)*
Age	69
Gender	Male
Present Directorship(s)	(1) Minetech Resources Berhad
Family relationship with any Director and/or major shareholder of the Company	Mr Chin Leong Choy, the Executive Director of the Company is the son of Mr Choy Sen @ Chin Kim Sang.
Working experience	Mr Choy Sen @ Chin Kim Sang is the founder of the Company and he has over 40 years of experience in the quarrying and civil engineering industries. He had also established several subsidiaries focusing on the following business activities and hence he has extensive knowledge and experience of the same:- • provision of specialisied drilling and blasting activities; • provision of loading and haulage services focusing on rock excavation and infrastruture development projects; • provision of industrial machinery; and • sales and marketing of aggregates and asphalt premix.

Notice of the Twentieth Annual General Meeting (Cont'd)

EXPLANATORY NOTES ON ORDINARY AND SPECIAL BUSINESS (CONT'D)

3. **Ordinary Resolution 2, 3, 4 and 5 on Re-election of Directors (Cont'd)**

Based on the recommendation of Nomination and Remuneration Committee, the Board is satisfied with the performance and contribution of Mr Choy Sen @ Chin Kim Sang and support the re-election of Mr Choy Sen @ Chin Kim Sang as Executive Director of the Company based on the following justifications:-

a. His extensive industry knowledge and experience in various industries provide optimum planning for the Company.

b. He has exercised his due care and carried out his professional duties proficiently during his tenure as Executive Director of the Company.

Description	Ordinary Resolution 3
Name	Azlan Shah Bin Zainal Arif *(Executive Director)*
Age	40
Gender	Male
Present Directorship(s)	(1) Minetech Resources Berhad
Family relationship with any Director and/ or major shareholder of the Company	Nil
Working experience	Encik Azlan Shah Bin Zainal Arif has accumulated relevant skills, knowledge and valuable experience in the maintenance, fabrication and construction work in the oil and gas industry. In 2013, he embarked into business venture as founder and main shareholder of Empada Sdn Bhd to provide maintenance, fabrication and construction in oil and gas industry. Furthermore, he has in-depth knowledge and experiences in corporate development exercises as he was previously involved in assisting companies for setting up business strategies framework, providing business advisory as well as developing and executing all the business strategies.

Based on the recommendation of Nomination and Remuneration Committee, the Board is satisfied with the performance and contribution of Encik Azlan Shah Bin Zainal Arif and support the re-election of Encik Azlan Shah Bin Zainal Arif as Executive Director of the Company based on the following justifications:-

a. His extensive knowledge and experience in the corporate development exercises enable to assist the Company in the successful implemention and execution of the business strategies which help the Company to meet its financial and operational targets and in turn able to attain the business goals and mission set by the Company.

b. He has exercised his due care and carried out his professional duties proficiently during his tenure as Executive Director of the Company.

Notice of the Twentieth Annual General Meeting (Cont'd)

EXPLANATORY NOTES ON ORDINARY AND SPECIAL BUSINESS (CONT'D)

3. **Ordinary Resolution 2, 3, 4 and 5 on Re-election of Directors (Cont'd)**

Description	Ordinary Resolution 4
Name	Siti Aishah Binti Othman *(Independent Non-Executive Director)*
Age	62
Gender	Female
Present Directorship(s)	(1) Minetech Resources Berhad
Family relationship with any Director and/ or major shareholder of the Company	Nil
Working experience	Puan Siti Aishah Binti Othman presently assumes the position of Independent Non-Executive Director. She is the Chairperson of the Nomination and Remuneration Committee and also a member of the Audit and Risk Management Committee. She has a Degree in LLB (Hons) in Law and she served as the Senior Manager of the legal division in Bintulu Development Authority **("BDA")**, a government agency in Sarawak. She was actively involved as committee member and advisor for events held by BDA. In recognisation of her services, loyalty, efforts and contributions towards BDA, she was awarded with the Pingat Perkhidmatan Setia 2010 award by the Chief Minister of Sarawak, the highest state award given to the State's Civil Servant. She was also awarded with Pingat Perkhidmatan Bakti (PBB) Negeri Sarawak in 2011 by Tuan Yang Terutama Negeri Sarawak.

Based on the recommendation of Nomination and Remuneration Committee, the Board is satisfied with the performance and contribution of Puan Siti Aishah Binti Othman and support the re-election of Puan Siti Aishah Binti Othman as Independent Non-Executive Director of the Company based on the following justifications:-

a. Puan Siti Aishah Binti Othman fulfils the requirements of independence set out in MMLR of Bursa Securities. She remains objective and independent in expressing her view and participating in Board's deliberations and decision making process.

b. Her extensive experience and knowledge in juridical enable her to provide concrete advices and comments from a legal perspective prior to the Company makes decision pertaining to operational issue.

c. She has exercised her due care and carried out her professional duties proficiently and independently during her tenure as Independent Non-Executive Director of the Company.

Notice of the Twentieth Annual General Meeting (Cont'd)

EXPLANATORY NOTES ON ORDINARY AND SPECIAL BUSINESS (CONT'D)

3. **Ordinary Resolution 2, 3, 4 and 5 on Re-election of Directors (Cont'd)**

Description	Ordinary Resolution 5
Name	Loke Kim Meng *(Non-Independent Non-Executive Director)*
Age	41
Gender	Male
Present Directorship(s)	(1) Minetech Resources Berhad
Family relationship with any Director and/or major shareholder of the Company	Nil
Working experience	Mr Loke Kim Meng has over 15 years of experience in banking and investment management. He is currently the CEO of Widuri Capital Management Sdn Bhd, a private equity management corporation (PEMC) registered with Securities Commission Malaysia where he leads all aspect of deal origination, execution, fund raising and portfolio management.

Based on the recommendation of Nomination and Remuneration Committee, the Board is satisfied with the performance and contribution of Mr Loke Kim Meng and support the re-election of Mr Loke Kim Meng as Non-Independent Non-Executive Director of the Company based on the following justifications:-

a. His extensive industry knowledge and experience in managing and investing in multiple class assets provide optimum financial planning for the Company.

b. He has exercised his due care and carried out his professional duties proficiently during his tenure as Non-Independent Non-Executive of the Company.

4. **Ordinary Resolution 7 on the Authority under Section 76 of the Act for the Directors to allot and issue shares**

The Ordinary Resolution 7 proposed under item 6 of the Agenda seeks the shareholders' approval of a general mandate for issuance of shares by the Company under Section 76 of the Act. The mandate, if passed, will provide flexibility for the Company and empower the Directors to allot and issue new shares speedily in the Company up to an amount not exceeding in total 10% of the total number of issued shares of the Company for purpose of funding the working capital or strategic development of Minetech Group.

This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM.

At this juncture, there is no decision to issue new shares. If there should be a decision to issue new shares after the general mandate is sought, the Company will make an announcement in respect thereof.

The Company did not allot and issue any shares pursuant to the general mandate granted by the shareholders at the previous AGM.

Notice of the Twentieth Annual General Meeting (Cont'd)

EXPLANATORY NOTES ON ORDINARY AND SPECIAL BUSINESS (CONT'D)

5. **Ordinary Resolution 8 on Proposed RRPT Mandate**

   The Ordinary Resolution 8, if passed, will allow the Company and its subsidiaries to enter into RRPT in accordance with Paragraph 10.09 of the MMLR of Bursa Securities without the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when such RRPT occur. This would reduce substantial administrative time, inconvenience and resources associated with the convening of such meetings without compromising the corporate objectives of Minetech Group or affecting the business opportunities available to Minetech Group. The shareholders' mandate is subject to renewal on an annual basis.

   For further information on Ordinary Resolution 8, please refer to Part A of the Circular to Shareholders dated 29 July 2022 accompanying the Annual Report of the Company for the financial year ended 31 March 2022.

6. **Ordinary Resolution 9 on Proposed Renewal of Authority for the Company to Purchase its own Ordinary Shares**

   The Ordinary Resolution 9, if passed, will give the Directors of the Company authority to take all such steps as are necessary or expedient to implement, finalise, complete and/or to effect the purchase(s) of shares by the Company as the Directors may deem fit and expedient in the best interest of the Company. The authority will, unless revoked or varied by the Company in a general meeting, continue to be in force until the conclusion of the next AGM of the Company or the expiry of the period within which the next AGM of the Company is required by law to be held.

   For further information on Ordinary Resolution 9, please refer to the Statement to Shareholders in Part B of the Circular to Shareholders dated 29 July 2022 accompanying the Annual Report of the Company for the financial year ended 31 March 2022.

Personal data privacy:

*By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, participate, speak and vote at the 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.*

MINETECH RESOURCES BERHAD

Registration No. 200201007880 (575543-X) (Incorporated in Malaysia)

PROXY FORM

CDS account no.	No. of ordinary shares held

I/We, ______________________________NRIC/Passport/Company No: ______________________

(Full name in block)

Tel:.____________________of____

____ (full address) with

email address ___________________________ being member(s) of **MINETECH RESOURCES BERHAD [Registration No. 200201007880 (575543-X)]** hereby appoint* THE CHAIRMAN OF THE MEETING or failing him/her

Full Name (in Block)	**NRIC No./Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			
Telephone no./ Email address			

And (if more than one (1) proxy)

Full Name (in Block)	**NRIC No./Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			
Telephone no./ Email address			

as my/our proxy(ies) to vote for me/us on my/our behalf at the Twentieth Annual General Meeting of the Company which will be conducted as a fully virtual meeting through live streaming and online remote voting using Remote Participation and Voting ("**RPV**") facilities via the online meeting platform of TIIH Online website at https://tiih.online or https://tiih.com.my (Domain registration number with MYNIC: D1A282781) on Tuesday, 30 August 2022 at 10.00 a.m. or at any adjournment thereof.

* *if you wish to appoint other person(s) to be your proxy/proxies, kindly delete the words "the Chairman of the Meeting or failing him/her" and insert the name(s) of the person(s) desired.*

My/our proxy/proxies is/are to vote as indicated below.

	Resolutions		**For**	**Against**
1.	To approve the payment of Directors' Fees and Benefits Payable to the Directors up to an aggregate amount of RM700,000.00 from this Annual General Meeting until the next Annual General Meeting in 2023.	Ordinary Resolution 1		
2.	To re-elect Mr Choy Sen @ Chin Kim Sang who is retiring pursuant to Clause 97 of the Constitution of the Company.	Ordinary Resolution 2		
3.	To re-elect Encik Azlan Shah Bin Zainal Arif who is retiring pursuant to Clause 97 of the Constitution of the Company.	Ordinary Resolution 3		
4.	To re-elect Puan Siti Aishah Binti Othman who is retiring pursuant to Clause 97 of the Constitution of the Company.	Ordinary Resolution 4		
5.	To re-elect Mr Loke Kim Meng who is retiring pursuant to Clause 105 of the Constitution of the Company.	Ordinary Resolution 5		
6.	To re-appoint Messrs. Al Jafree Salihin Kuzaimi PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.	Ordinary Resolution 6		
7.	Authority under Section 76 of the Companies Act 2016 for the Directors to allot and issue shares.	Ordinary Resolution 7		
8.	Proposed Renewal of Shareholders' Mandate and Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a revenue or trading nature.	Ordinary Resolution 8		
9.	Proposed Renewal of Authority for the Company to Purchase its own Ordinary Shares.	Ordinary Resolution 9		

(Please indicate with an "X" in the appropriate box against the resolutions on how you wish your proxy to vote. The proxy is to vote on the resolutions set out in the Notice of Meeting as you have indicated. If no specific instruction as to voting is given, this form will be taken to authorise the proxy to vote at his/her discretion)

_____________________________ _____________________________

Signature/Common Seal of Shareholder Date

Fold this for sealing

NOTES:

1. The 20th AGM will be conducted on a fully virtual basis via TIIH Online website at https://tiih.online. Please refer to the Administrative Guide of the 20th AGM for the procedures to register, participate and vote remotely through the RPV facilities.

   The Adminstrative Guide on the conduct of the fully virtual 20th AGM of the Company is available at the Company's website at https://minetech.com.my/reports/.
2. The conduct of the fully virtual 20th AGM is in compliance with Section 327 of the Companies Act 2016 and the provisions of the Constitution of the Company. 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 and all meeting participants including Chairman of the meeting, board members, senior management and shareholders are to participate in the meeting online.
3. A member of the Company entitled to attend, participate and vote remotely at the meeting is entitled to appoint a proxy or proxies to attend, participate and vote for his/her behalf. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
4. A member may appoint up to two (2) proxies to attend and vote at the meeting. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
5. Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (**"omnibus account"**), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
6. The instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.
7. The appointment of proxy may be made in a hardcopy form or by electronic means, not less than forty-eight (48) hours before the time set for holding the meeting or at any adjournment thereof, as follows:-

   (i) In Hardcopy Form

   The instrument appointing a proxy or proxies and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority, must be deposited with Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur.

   (ii) By Electronic Means

   The instrument appointing a proxy or proxies can be submitted electronically, via TIIH Online website at https://tiih.online. Please refer to the Administrative Guide of the 20th AGM for further information on electronic submission of proxy form via TIIH Online.

   The appointment of the proxy(ies) will be **INVALID** if the Proxy Form/ e-Proxy Form is not completed correctly in accordance with the instructions stated in the form.
8. The members, proxies or corporate representatives may submit questions in relation to the resolutions to be tabled at the 20th AGM at https://tiih.online prior to the 20th AGM or to use the query box to transmit questions by typed texts via RPV facilities during live streaming of the 20th AGM of the Company.
9. Pursuant to Paragraph 8.29(A) of Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions at the 20th AGM of the Company shall be put to vote by way of poll.
10. In respect of deposited securities, only members whose names appear on the Record of Depositors on 22 August 2022 (General Meeting Record of Depositors) shall be eligible to attend the 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 Twentieth Annual General Meeting dated 29 July 2022.

Then fold here

STAMP

MINETECH RESOURCES BERHAD

Registration No. 200201007880 (575543-X)

c/o Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32
Tower A, Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur

Then fold here

MINETECH RESOURCES BERHAD

Registration No. 200201007880 (575543-X)

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