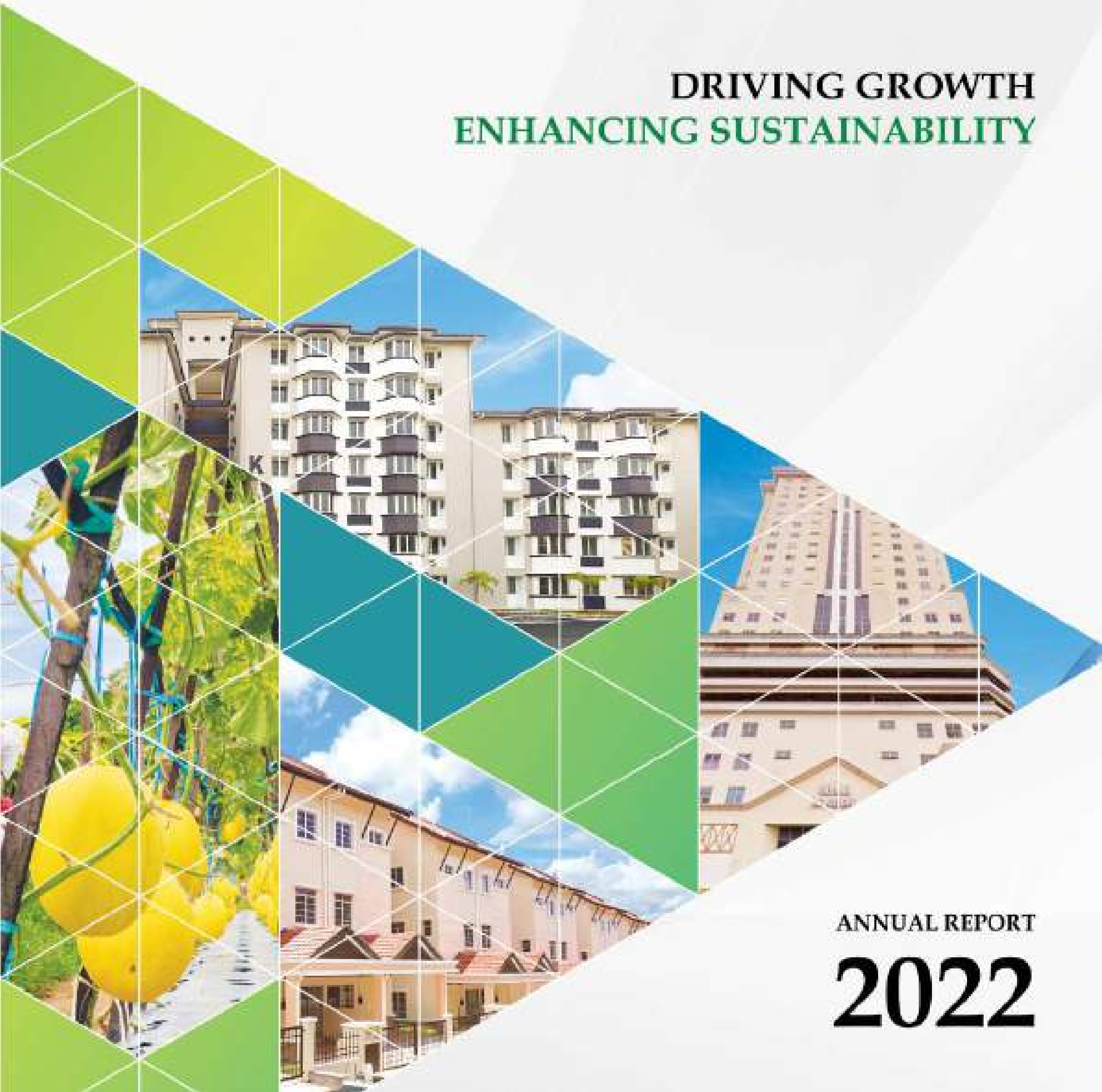
TALAM TRANSFORM BERHAD

(Incorporated in Malaysia)

192001000012 (1120-H)

DRIVING GROWTH
ENHANCING SUSTAINABILITY



ANNUAL REPORT

2022

97TH

ANNUAL GENERAL MEETING

Meeting Venue
Pusat Konvensyen
Triumph Convention Centre
Lot 1.01, Level 1, Menara Maxisegar
Jalan Pandan Indah 4/2
Pandan Indah
55100 Kuala Lumpur

Date
Thursday, 22 September 2022

Time
11.30a.m.

Scan the QR code for Annual Report 2022 online

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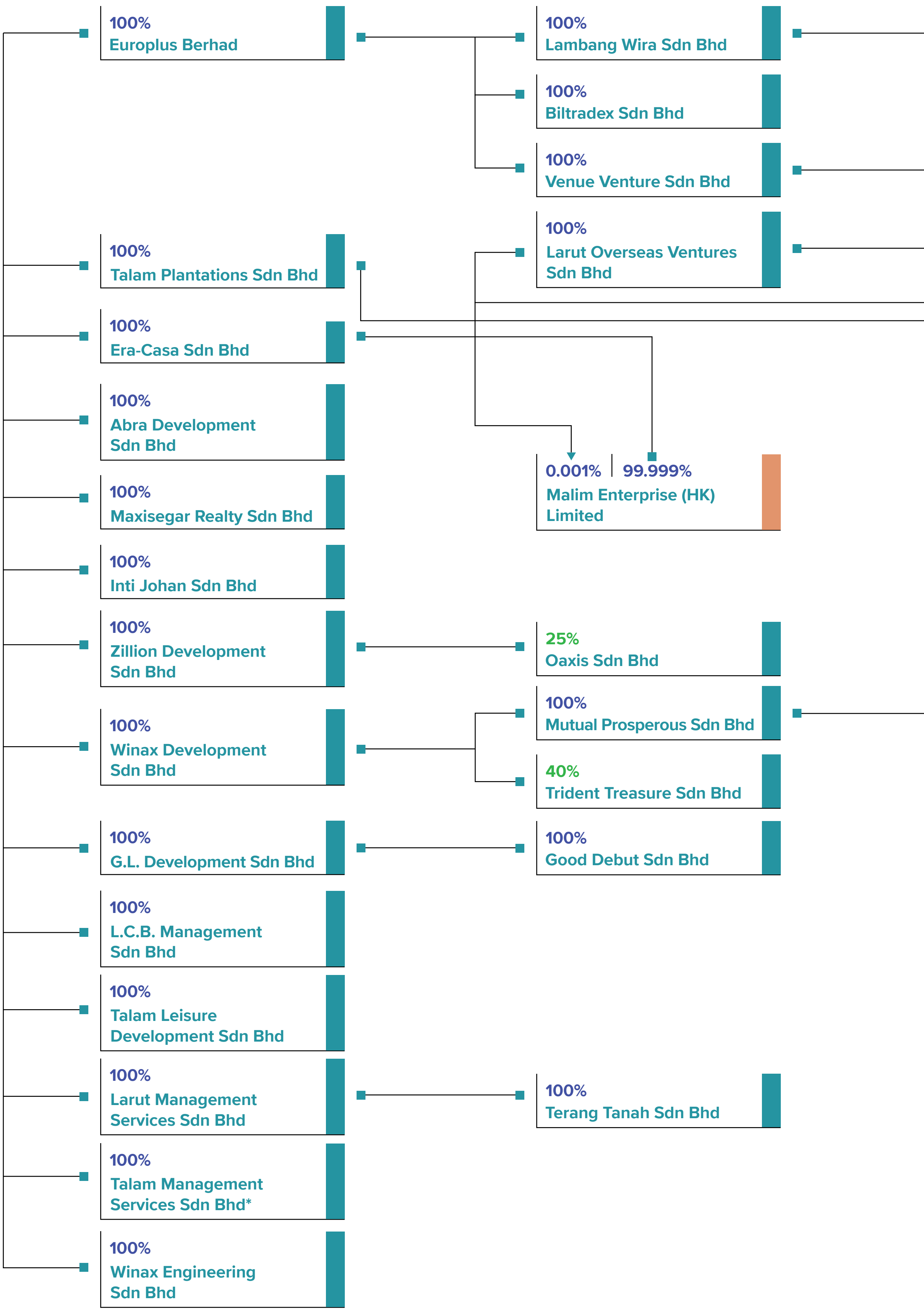
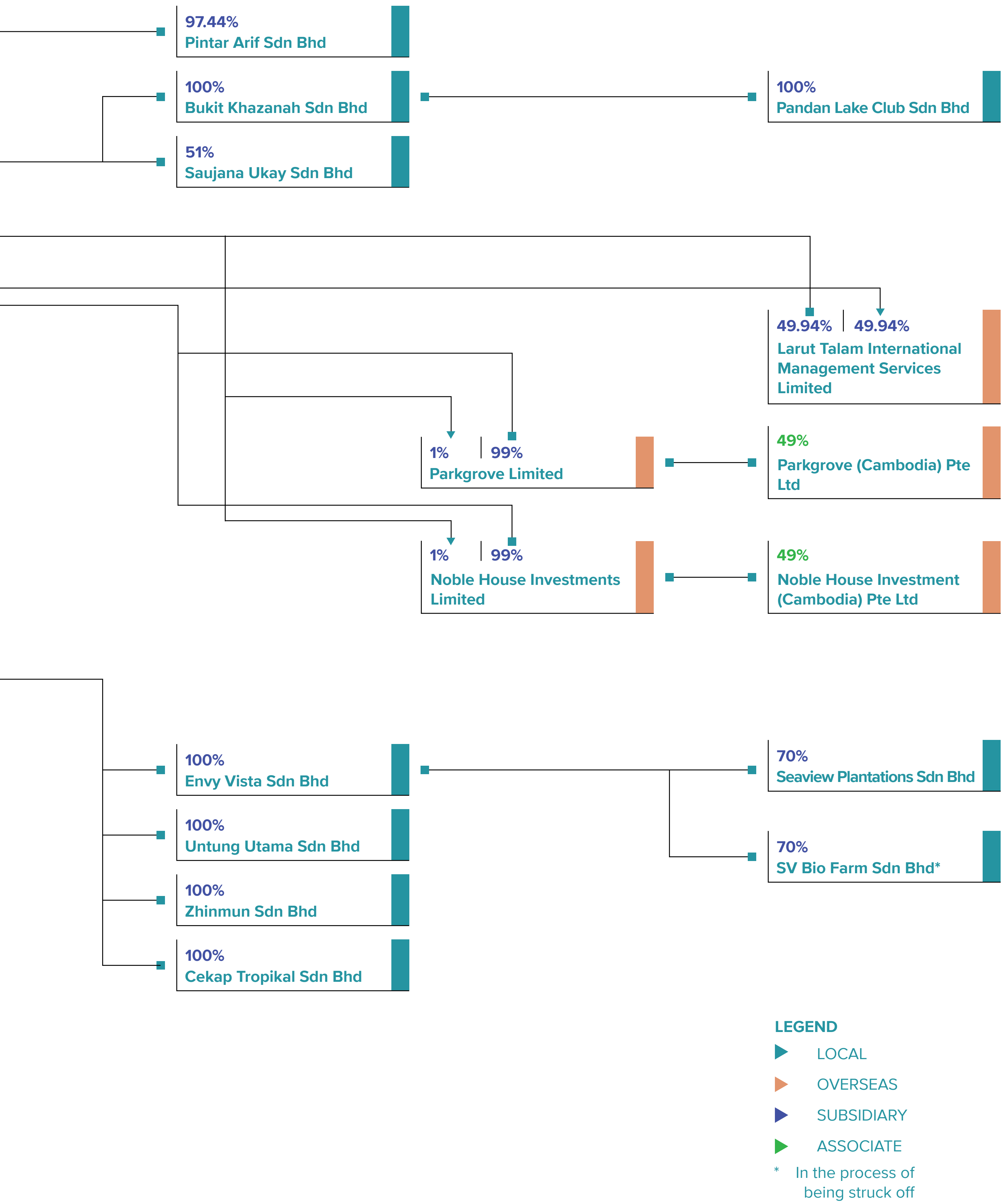
CORPORATE STRUCTURE
AS AT 30 JUNE 2022

TALAM
TRANSFORM BERHAD
192001000012 (1120-H)




97.44%
Pintar Arif Sdn Bhd
100%
Bukit Khazanah Sdn Bhd
100%
Pandan Lake Club Sdn Bhd
51%
Saujana Ukay Sdn Bhd
49.94%
49.94%
Larut Talam International Management Services Limited
1%
99%
Parkgrove Limited
49%
Parkgrove (Cambodia) Pte Ltd
1%
99%
Noble House Investments Limited
49%
Noble House Investment (Cambodia) Pte Ltd
100%
Envy Vista Sdn Bhd
70%
Seaview Plantations Sdn Bhd
100%
Untung Utama Sdn Bhd
70%
SV Bio Farm Sdn Bhd*
100%
Zhinmun Sdn Bhd
100%
Cekap Tropikal Sdn Bhd
LEGEND
LOCAL
OVERSEAS
SUBSIDIARY
ASSOCIATE
* In the process of being struck off

CORPORATE INFORMATION

BOARD OF DIRECTORS

Tsen Keng Yam
Chairman
Senior Independent
Non-Executive Director

Tan Sri Dato' (Dr) Ir Chan Ah Chye @ Chan Chong Yoon
Non-Independent
Non-Executive Director

Dato' Kamaruddin Bin Mat Desa
Independent Non-Executive
Director

Datuk Dr Ng Bee Ken
Independent Non-Executive
Director

Chua Kim Lan
Executive Director

Yaw Chun Soon
Executive Director

Chan Tet Eu
Executive Director

AUDIT COMMITTEE

Tsen Keng Yam
Chairman
Member of the Malaysian Institute
of Accountants

Dato' Kamaruddin Bin Mat Desa
Member

Datuk Dr Ng Bee Ken
Member

NOMINATION COMMITTEE

Datuk Dr Ng Bee Ken
Chairman

Tan Sri Dato' (Dr) Ir Chan Ah Chye @ Chan Chong Yoon
Member

Tsen Keng Yam
Member

Dato' Kamaruddin Bin Mat Desa
Member

REMUNERATION COMMITTEE

Dato' Kamaruddin Bin Mat Desa
Chairman

Tsen Keng Yam
Member

Datuk Dr Ng Bee Ken
Member

COMPANY SECRETARY

Soo Kah Pik (MIA 8102)
SSM Practicing Certificate
No. 201908004099

PRINCIPAL BANKER

Malayan Banking Berhad

REGISTERED OFFICE

Unit 17.02, Level 17, Menara Maxisegar
Jalan Pandan Indah 4/2
Pandan Indah
55100 Kuala Lumpur
Tel No. : +603-42962000
Fax No. : +603-42977220
Website : www.ttransform.com.my

SHARE REGISTRAR

Securities Services (Holdings) Sdn Bhd
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Tel No. : +603-20849000
Fax No. : +603-20949940 /
+603-20950292

AUDITORS

Baker Tilly Monteiro Heng PLT (AF 0117)
201906000600 (LLP0019411-LCA)
Chartered Accountants
Baker Tilly Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Tel No. : +603-22971000
Fax No. : +603-22829980

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Securities Berhad

Stock Code : 2259
Stock Name : TALAMT

PROFILE OF DIRECTORS

TSEN KENG YAM

Chairman/
Senior Independent Non-Executive Director

72 | Male | Malaysian

Date Appointed to the Board:
30 April 2004

Date of Appointment as Chairman of the Board:
22 January 2009

Board Committee:
- Audit Committee (Chairman)
- Nomination Committee and Remuneration Committee (Member)

Qualification
- Fellow of the Institute of Chartered Accountants (England and Wales) and a member of the Malaysian Institute of Accountants.

Experience
In 1978, he joined Hanafiah Raslan & Mohamed as a consultant and was subsequently promoted to Senior Consultant in 1980. He was a principal of Hanafiah Raslan & Mohamed from 1984 to 1987 and was a partner of Arthur Andersen & Co. for more than 14 years from 1988 to 2003. He is currently an Independent Non-Executive Director of Hexza Corporation Berhad. He was formerly a Director of Riverview Rubber Estates Berhad and Narborough Plantations Plc.

TAN SRI DATO' (DR) IR CHAN AH CHYE @ CHAN CHONG YOON

Non-Independent Non-Executive Director

76 | Male | Malaysian

Date Appointed to the Board:
6 November 1990

Board Committee:
- Nomination Committee (Member)

Qualification
- Bachelor Degree in Civil Engineering from theUniversity of Malaya in 1970.
- Member of the Institution of Engineers, Malaysia since 1974 and was subsequently made a Fellow in 1984.
- He was conferred the Honorary Doctorate of Science (Engineering) by the University Malaya on 11 August 2003.

Experience
He was formerly the Executive Chairman of the Company prior to his re-designation as Non-Independent Non-Executive Director on 22 January 2009.

He has over 51 years of experience in the property and construction industry since he started his career with Messrs Binnie & Partners (M) Sdn Bhd and later joined Perbadanan Kemajuan Negeri Selangor in 1971 as a Project Manager handling project designs, management and property development. He was formerly the Executive Director (President/Chief Executive) and former Major Shareholder of Kumpulan Europlus Berhad (now known as WCE Holdings Berhad).

Tan Sri Chan was awarded the prestigious "Property Man of the Year 1998" by the Federation Internationale Des Professions Immobilieres ("FIABCI") in recognition of his achievements in property development.

His son, Mr Chan Tet Eu is an Executive Director and Major Shareholder of the Company. His spouse, Puan Sri Datin Thong Nyok Choo and daughter, Ms Chan Siu Wei are Major Shareholders of the Company.

PROFILE OF DIRECTORS (CONT'D)

DATO' KAMARUDDIN BIN MAT DESA

Independent Non-Executive Director

71 | Male | Malaysian

Date Appointed to the Board:
1 October 2007

Board Committee:
- Remuneration Committee (Chairman)
- Audit Committee and Nomination Committee (Member)

Qualification
- Bachelor of Laws (Hons) from International Islamic University, Petaling Jaya, Selangor (1993).

Experience
Dato' Kamaruddin had extensive experience in the Royal Malaysian Police Force. During his distinguished career, he held positions such as General Duty/Traffic, Platoon Commander, Police Field Force, Officer in-charge of Police Sub-District, Area Inspector, State Traffic Chief Selangor, Deputy OCPD, Staff Officer (Prosecution) Session Court (Selangor), Staff Officer (Admin) CID Selangor, Police Secretary/Special Officer to IGP, Officer in-charge of Criminal Investigation Department, Deputy Chief Police Officer and Deputy Director, Commercial Crime Investigation Department.

DATUK DR NG BEE KEN

Independent Non-Executive Director

67 | Male | Malaysian

Date Appointed to the Board:
21 May 2010

Board Committee:
- Nomination Committee (Chairman)
- Audit Committee and Remuneration Committee (Member)

Qualification
- Bachelor of Law (Hons) from the University of Wales, Cardiff; a Master of Laws from King's College, University of London; and a Barrister-at-Law from Lincoln's Inn.
- Holds a Master of Science (Corporate Communication) from Universiti Putra Malaysia, an ACEA and is a Certified Mediator at the Malaysian Mediation Centre as accredited by the Malaysian Bar.
- He was conferred the Doctor of Divinity by Millenium International University in conjunction with Asia Pacific Seminary in October, 2016.

Experience
He is also an Advocate and Solicitor of the High Court of Malaya since 1987, and presently is the Managing Partner of the law firm of Azri, Lee Swee Seng & Co where he specializes in corporate law.

Besides legal practice, he is also the Chairman and an Independent Non-Executive Director of Pertama Digital Berhad (formerly known as Sinotop Holdings Berhad) and an Independent Non-Executive Director of MyTech Group Berhad (formerly known as Widetech (Malaysia) Berhad) and Yong Tai Berhad. He was formerly an Independent Non-Executive Director of Opensys (M) Berhad.

CHUA KIM LAN

Executive Director

58 | Female | Malaysian

Date Appointed to the Board:
1 October 2007

Board Committee:
- Executive Committee

Qualification
- Tunku Abdul Rahman University College in Building Technology in 1984.
- Master of Business Administration from Honolulu University, Hawaii in 2000.

Experience
She was previously attached to Brisdale (M) Sdn Bhd for 5 years from 1984 to 1989 and the Company for 1 year prior to joining Europlus Berhad as a Quantity Surveyor in 1991. She was transferred back to the Company subsequent to the merger exercise in 2003 and was formerly the Deputy President of the Company before her appointment to the Board.

YAW CHUN SOON

Executive Director

60 | Male | Malaysian

Date Appointed to the Board:
24 July 2014

Board Committee:
- Executive Committee

Qualification
- Admitted as a Solicitor and Barrister of the High Court of New Zealand in 1986 and was called to the Malaysian Bar in 1987.
- Practiced law as an Advocate & Solicitor of the High Court of Malaya.
- Attended the Management Development Program at the Asian Institute of Management, Philippines in 1995.

Experience
Mr Yaw has over 36 years of experience in the legal, financial services, broadcasting and property development industry. He joined TA Securities Berhad in November 1993. In May 1996, he was the General Manager-Operations of Botly Securities Sdn Bhd ("Botly"), a wholly-owned subsidiary of TA Enterprise Berhad and subsequently as the Executive Director of Botly. From May 1998 till October 1998, he was the Corporate Finance Director of TA Bank of the Philippines Inc. and the Director of TA Securities Philippines and TA Properties Development, Philippines Inc. On 19 November 1999, he was appointed to the Board of TA Securities Berhad and subsequently the Executive Director-Operations of TA Securities Holdings Berhad from 14 August 2004 until 30 November 2011. He was also appointed as Executive Director of TA Enterprise Berhad, a public listed company listed on Bursa Malaysia Securities Berhad from 7 October 2009 to 30 November 2011. He was appointed as Director of TA Global Berhad from 30 September 2020 to 18 February 2021. He is also a director of Asian Outreach (Malaysia) Bhd.

CHAN TET EU

Executive Director

37 | Male | Malaysian

Date Appointed to the Board:
24 July 2014

Board Committee:
• Executive Committee

Qualification
• Bachelor of Arts and Media (with Hons) from Lim Kok Wing University and a Certificate of Excellence in mechanical engineering and a Diploma in accounting.

Experience
He was formerly a Non-Independent Non-Executive Director prior to his re-designation as Executive Director (Business Development) on 1 May 2019.

Mr Chan worked in a media outlet and production house, prior to joining a property development company.

His father, Tan Sri Dato' (Dr) Ir Chan Ah Chye @ Chan Chong Yoon is also a Director and Major Shareholder of the Company. His mother, Puan Sri Datin Thong Nyok Choo and sister, Ms Chan Siu Wei are Major Shareholders of the Company.

Notes:-
1. Save as disclosed, none of the Directors have:-
   (i) Any directorships in public companies and listed issuers;
   (ii) Any family relationship with any directors and/or major shareholders of the Company;
   (iii) Any conflict of interest with the Company;
   (iv) Any conviction for offences within the past 5 years other than traffic offences; and
   (v) Any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 March 2022.
2. The details of the Directors' attendances at Board of Directors' Meetings held during the financial year ended 31 March 2022 are set out in the Corporate Governance Overview Statement on page 44 of this Annual Report.
3. The Directors' and Group Chief Executive Officers' shareholdings in the Company are disclosed in the Statement on Directors' and Group Chief Executive Officers' Interests of this Annual Report.

PROFILE OF GROUP
CHIEF EXECUTIVE OFFICER

DATO' MOHAMAD RAZALI BIN MOHAMAD RAHIM

Group Chief Executive Officer

62 | Male | Malaysian

Date Appointed to the Company:
22 March 2019

Qualification
• Masters in Business Administration, USA in 1981

Experience
Dato' Razali worked for a number of organisations both multi-national and local. He started at Pernas-Sime Darby where he went through the Finance Department, Marketing and Operations in the Trading Company and Motor Division. He was also stationed in Japan for a year with Nichimen Corporation. In 1984, he joined Citibank NA where he rose to the position of Vice President and Area Director. He was also the Real Estate Specialist for Asia and Oceania. In 1997 he joined SP Setia as Executive Director and was responsible for the construction of the Prime Ministers' Office and the Prime Ministers' Residence in Putrajaya as well as all the housing units under the joint venture. After SP Setia, he went into Islamic Banking with Abrar Discounts Berhad. Dato' Razali was also with the MIDF group where he headed the Group's Business Development Division. He also had stints in Premier Nalfin Berhad and Wembley Industries Berhad. Currently, he is on the Board of Khee San Berhad.

Notes:-
1. Save as disclosed, he has no directorships in other public companies and listed issuers.
2. He has no family relationship with any directors and/or major shareholders of the Company.
3. There is no conflict of interest with the Company. Within the past 5 years, he has no conviction for offences other than traffic offences.
4. During the financial year ended 31 March 2022, there was no public sanction or penalty imposed on him by the relevant regulatory bodies.

PROFILE OF
KEY SENIOR MANAGEMENT

The Key Senior Management of Talam Transform Berhad ("the Company") is headed by the Executive Directors, Ms Chua Kim Lan, Mr Yaw Chun Soon and Mr Chan Tet Eu together with the Group Chief Executive Officer, Dato' Mohamad Razali bin Mohamad Rahim whose profiles are disclosed in the Profile of Directors and Profile of Group Chief Executive Officer respectively.

Ms Chua oversees the Operations of the Group which covers Finance, Project, Contract, Sales & Marketing, Planning, Authority & Land Matters and Complex while Mr Yaw oversees the Corporate Affairs Department which covers Corporate Finance, Human Resource, Administration & Purchasing, Legal and Secretarial Services. Mr Chan oversee the Business Development portfolio of the Group.

Dato' Mohamad Razali bin Mohamad Rahim works together with the Executive Directors to meet the objectives and goals of the Company.

TAN BAK HAI

Senior Vice President I
of Sales & Marketing

62 I Male I Malaysian

Qualification
- University of Malaya in 1983.

Tan Bak Hai was appointed as Senior Vice President I of the Company on 1 January 2004. He oversees the day-to-day operation of the Sales & Marketing Department.

Mr Tan started his career with Rahim & Co. Chartered Surveyors Sdn Bhd for 5 years prior to joining Europlus Berhad as a Sales and Administration Executive. He was promoted as Marketing Manager and followed by the position as General Manager. He was transferred back to the Company subsequent to the merger exercise in 2003.

SOO KAH PIK

Chief Financial Officer

60 I Male I Malaysian

Qualification
- Qualified accountant by profession and a member of the Malaysian Institute of Accountants.

Soo Kah Pik joined the Company on 1 August 2014 as Vice President of Group Finance.

He has a total of 36 years of broad experience in the fields of audit, accounting, secretarial and tax with 7 years working in Chartered Accountancy firms in the United Kingdom. In Malaysia, he served 12 years in the Hong Leong Group before departing as Group Financial Controller of Malaysian Pacific Industries Berhad. A further 11 years were spent in various other business sectors such as construction, information technology and broadcasting before he joined the Company. He also assumed the position of Company Secretary from 1 November 2014 and was subsequently appointed as the Chief Financial Officer on 1 March 2015.

NG GIAK LIAN

Deputy Vice President
of Finance

61 | Female | Malaysian

Qualification

- Tunku Abdul Rahman University College in Cost and Management Accounting in 1986.

Ng Giak Lian joined the Company in 1989 and was appointed as Deputy Vice President of Finance in 2012 and is currently assisting the Chief Financial Officer on all day-to-day finance and accounting matters.

Ms Ng has more than 35 years of management experience in finance and accounting in construction and property development industry. Prior to joining the Company, she was attached to a construction company. She started her career in the Company as an Account Executive. Subsequently, she was promoted as Finance Manager followed by Senior Finance Manager and eventually to the current position as the Deputy Vice President of Finance.

All Key Senior Management in office as at 30 June 2022 have:

No directorships in public companies and listed issuers save as disclosed in their respective profiles

No family relationship with any Directors and/or Major Shareholders of Talam Transform Berhad

No conflict of interest with Talam Transform Berhad

Not been convicted of any offences within the past five (5) years other than traffic offences

Not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 March 2022

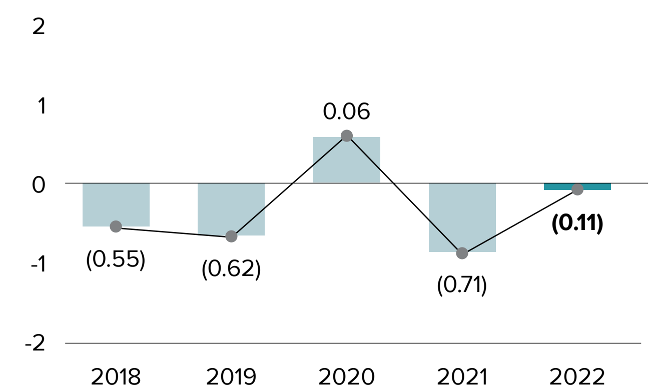
FINANCIAL HIGHLIGHTS

FIVE YEAR FINANCIAL HIGHLIGHTS

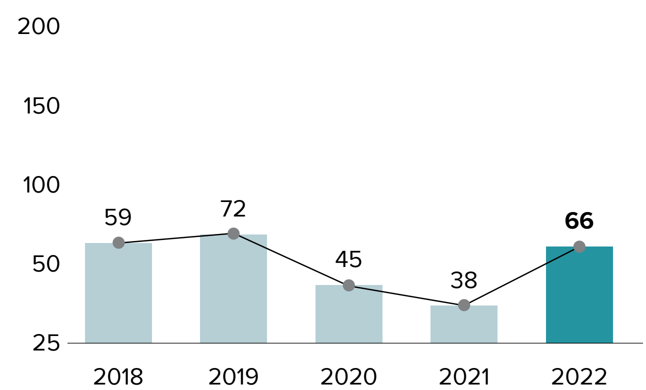
GROUP		2022	2021	2020	2019	2018
Total Assets	RM'000	**701,485**	708,172	780,143	824,002	900,588
Total Liabilities	RM'000	**423,404**	425,640	425,831	474,233	525,834
Equity attributable to owners of the Group	RM'000	**276,124**	280,967	361,735	356,392	384,498
Revenue	RM'000	**66,528**	38,086	44,857	71,939	58,750
Profit/(Loss) before tax	RM'000	**(1,743)**	(30,882)	1,758	(27,471)	(23,757)
Profit/(Loss) after tax attributable to owners of the Group	RM'000	**(4,843)**	(30,479)	2,582	(26,071)	(23,404)
Earnings/(Loss) per share	Sen	**(0.11)**	(0.71)	0.06	(0.62)	(0.55)
Return on Assets	%	**-0.7%**	-4.4%	0.2%	-3.3%	-2.6%
Return on Equity	%	**-1.8%**	-11.0%	0.5%	-7.7%	-6.2%
Gearing Ratios		**0.25**	0.25	0.20	0.17	0.27

COMPANY		2022	2021	2020	2019	2018
Total Assets	RM'000	**668,422**	638,854	668,015	729,475	803,879
Total Liabilities	RM'000	**353,916**	368,887	349,930	421,305	476,915
Equity attributable to owners of the Company	RM'000	**314,506**	269,967	318,085	308,170	326,964
Revenue	RM'000	**2,169**	6,939	33,638	29,829	51,690
Profit/(Loss) before tax	RM'000	**44,562**	(48,118)	6,915	(18,794)	(30,970)
Profit/(Loss) after tax attributable to owner of the Company	RM'000	**44,539**	(48,118)	6,915	(18,794)	(30,970)
Return on Assets	%	**6.7%**	-7.5%	1.0%	-2.6%	-3.4%
Return on Equity	%	**14.2%**	-17.8%	2.2%	-6.1%	-8.4%
Gearing Ratios		**0.13**	0.16	0.13	0.16	0.18

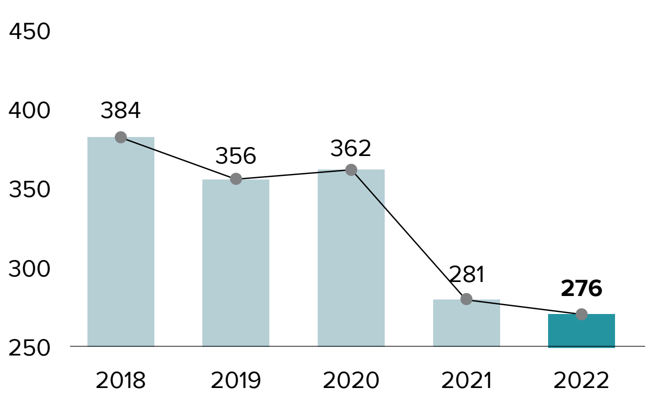
Earnings/(Loss) per share (Sen)



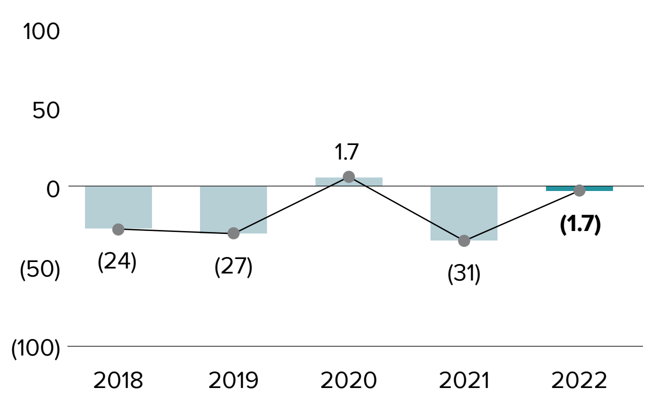
Revenue (RM'Million)



Equity attributable to owners of the Group (RM'Million)



Profit/(Loss) before tax (RM'Million)



CHAIRMAN'S STATEMENT

On behalf of the Board of Directors of Talam Transform Berhad, I am pleased to present to you the Annual Report and Audited Financial Statements of the Group and the Company for the financial year ended 31 March 2022 ("FY2022").

"Talam Transform Berhad and its subsidiaries had demonstrated strong resilience and focused on strengthening its fundamentals, responding to the present challenges while planning for future growth."

Total borrowings increased marginally from RM72.6 million to
RM72.77
million

Revenue of
RM66.53
million

Gross profit
RM21.94
million

2021 began with optimism of the future with the hope that the COVID-19 pandemic impact would be less severe after the extensive disruptions experienced in 2020. But it turned out to be another challenging year to navigate as the COVID-19 pandemic continued to disrupt markets, businesses, economies and people's lives around the world.

The emergence of new COVID-19 variants and increasing number of infections led to the imposition of a 11-week long Full Movement Control Order ("FMCO") which began on 1 June 2021 followed by the various containment measures under the four phases of the National Recovery Plan.

The Malaysian economy in the first half of 2021 saw vital signs of recovery demonstrated by positive business and consumer sentiment. The Malaysian Government again introduced various stimulus packages and rolled out the National COVID-19 Immunisation Programme to accelerate the vaccination coverage to help businesses recover and boost the economy. With the achievement of high vaccination rates and the subsequent easing of containment measures, Gross Domestic Product expanded in the fourth quarter of 2021 to 3.6% with improvements in domestic demand as economic activity gradually step up.

During 2021, we were not spared from the impact of the COVID-19 pandemic. The implementation of the FMCO in June 2021 disrupted regular business operations and caused us to cease construction site activities, pause operations at our retail complex and shutdown our property sales gallery. However, the country has seen the transition into an endemic phase on 1 April 2022 where all restrictions pertaining to business operating hours are removed although the wearing of face masks in public places is still mandatory. With the reopening of the economy in stages, market activity has since increased. Against the prevailing market environment, sustaining growth remains a key focus.

Talam Transform Berhad and its subsidiaries had demonstrated strong resilience and focused on strengthening its fundamentals, responding to the present challenges while planning for future growth. Despite the challenging environment and as part of our strategy, we divested non-strategic underperforming assets and investments and channeled our resources to pare down our debts to reposition our business for future growth. However, we will continue to retain strategic landbank for existing and pipeline projects.

FINANCIAL HIGHLIGHTS

For the financial year ended 31 March 2022, the Group achieved a revenue of RM66.53 million which is 74.7% higher than the RM38.09 million revenue recorded for the previous financial year.

The divestment of Jilin Province Maxcourt Hotel Limited in China, non-strategic development lands and inventories continue to form the main drivers of revenue generation.

I am delighted to report that we had on 11 January 2022 completed the disposal of Jilin Province Maxcourt Hotel Limited in China for the sum of Chinese Renminbi 72.74 million or the Ringgit Malaysian equivalent of RM45.42 million. The sale proceeds came in time for us to pay and fully settle our RM134.2 million Al-Bai Bithaman Ajil Islamic Debt Securities on 28 June 2022.

The Group has also completed its first Build Then Sell Seroja Apartments project with a Gross Development Value ("GDV") of RM44 million and the Certificate of Completion and Compliance was issued in December 2021.

I am pleased to report the Group's gross profit of RM21.94 million which is 113.6% higher than the RM10.27 million recorded for the previous financial year.

The Group registered a loss after tax of RM4.95 million after making prudent impairment provisions for inventories and assets (which is an improvement of RM25.95 million from the loss of RM30.90 million for the preceding financial year).

The Group will strive to improve on the financial stability by strengthening its balance sheet and further reducing the gearing position of the Group in FY2023 to position for future development growth. The total borrowings increased marginally from RM72.60 million to RM72.77 million which is an increase of 0.23%.

At the end of FY2022, the Group recorded total assets of RM701.49 million against total liabilities of RM423.40 million resulting in a net assets position of RM278.08 million.

PROSPECTS

Bank Negara Malaysia ("BNM") expects the economy for 2022 to remain on the path to recovery, although there are challenges and downside risks to growth due to external and demand factors including weaker-than-expected global growth, further escalation of geopolitical conflicts, and worsening supply chain disruptions.

Seroja Apartment at Putra Perdana

The global economy is also expected to recover as the International Monetary Fund ("IMF") has a global growth projection of 4.4% for 2022. However, the recent outbreak of the Russia and Ukraine war has created uncertainty and disruption and may impede Malaysia's export-led economic recovery.

On the domestic front, the Ministry of Finance in its Economic Outlook 2022 and Budget 2022, expected economic recovery to gain momentum in 2022 with projected growth between 5.5% to 6.5% supported by a rebound in domestic demand, continued expansion in exports, and improvements in the trading of goods and the labour market.

To support economic recovery, following the transition to endemicity and taking into consideration inflationary risks and geopolitical tensions, BNM had raised the overnight policy rate ("OPR") by 25 basis points (bps) to 2% at its third monetary policy committee ("MPC") meeting on 11 May 2022, lifting it from a record low of 1.75% for nearly two years. Amid the positive growth momentum in the Malaysian economy from the firm domestic demand and retail spending and supported by exports, BNM again raised the OPR by another 25 bps to 2.25% at its fourth MPC meeting on 6 July 2022.

Enhance and leverage on our existing 726 acres of development lands in Selangor by entering into strategic alliances or joint ventures with strong, robust partners

The increases in the OPR will raise the interest rate for borrowings such as housing loans and would increase the financial burden on house buyers who are servicing their home loans. This back-to-back OPR rate hikes by the central bank would make potential home buyers more cautious about buying property and coupled with the continued increases in building costs, raw material prices and labour costs which increases construction costs, will affect the property market. The National Property Information Centre's property market data for the first quarter of this calendar year ("Q1 2022") shows residential property overhang of 35,592 units valued at RM22.45 billion.

As the Group emerges from the COVID-19 pandemic, it is charting a new growth by laying a strong foundation to overcome these challenges and to build a sustainable long term business on the strength of its expertise and experience in affordable homes and agriculture produces that cater to the needs of the Malaysian consumers.

The strategic focus of the Group is to enhance and leverage on our existing 726 acres of development lands in Selangor by entering into strategic alliances or joint ventures with strong, robust partners to launch new sustainable development projects and embrace new opportunities to provide innovative sought after property offerings.

Property development will be at the heart of TTB Group's business model. However, with the prevailing economic and challenging weak property market and to ensure that the Group is sustainable during the COVID-19 pandemic, we have diversified into agriculture and horticultural commercial farming and embrace food security as a new business opportunity to develop new recurring income streams for the Group.

We are monetising our existing landbanks for large scale commercial farming and have obtained the development order for the commercial green houses on our lands in Bukit Beruntung and are now awaiting approval for the green house building plan.

The Group will continue to identify key areas of our strategic turnaround and progressively take steps to unlock value from our assets and products. The Group remains committed to create value for our shareholders and will continue with its business rationalisation, costs optimisation initiatives and operational management focus to strengthen our financial performance to realise our aspiration and build a resilient future.

ACKNOWLEDGEMENT

My profound appreciation to my fellow directors for their counsel and wisdom and remaining resilient in a difficult operating environment and guiding the Group through challenging times and progressively bringing financial stability to the Group.

My heartfelt gratitude and thanks to all our shareholders, investors, customers, and business partners, suppliers and contractors for your continued support and encouragement.

To the Management and staff for their determination, dedication, efforts and commitment in supporting and sustaining the Group, my special thanks goes out to them.

Most of all, I would like to express my sincere gratitude to the regulators and all the relevant authorities for their continued support and guidance.

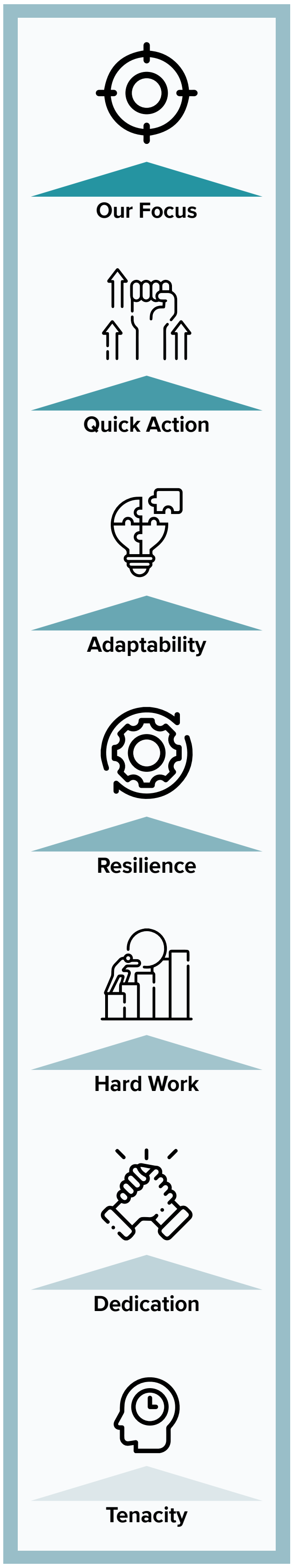
TSEN KENG YAM
Chairman

Greenhouse of Golden Melons

MANAGEMENT DISCUSSION AND ANALYSIS

We present to you the Management Discussion and Analysis which will provide a brief review of the business and operational performance of the Group for the financial year ended 31 March 2022 ("FY2022").

First Harvest Ceremony of the Golden Melons officiated by Dato' Haslina Binti Abdul Hamid, Secretary General of the Ministry of Agriculture and Food Industries



(A) OVERVIEW OF GROUP'S BUSINESS

Talam Transform Berhad ("TTB") and its subsidiaries ("the Group") main core business segments in 2021 are property development, property investment, construction, property management and agriculture.

Our business and operations were adversely impacted by the COVID-19 pandemic. The various containment measures imposed under the 11-week long Full Movement Control Order ("FMCO") which began on 1 June 2021 followed by the four phases of the National Recovery Plan ("NRP") affected the Group's performance. Group's immediate key focus areas was to generate cash flow and pare down debts and focusing on sustainability for long term growth to facilitate the turnaround of the Company and improve our position in 2022.

2021 was a challenging year for the Group arising from the prolonged COVID-19 pandemic and frequent lockdowns. However, our focus and quick action in embracing the changes of the new normal as well as our adaptability, resilience, hard work, dedication and tenacity have contributed to the Group sailing through the current adversities to overcome the turbulent times of uncertainty. TTB remained resolute and resilient and continue to deliver results in-spite of the adversities. The Group stepped up efforts to focus on actively readjusting our strategies and plans to adapt and respond to the fast evolving changes.

The Malaysian property development sector faced a challenging year in 2021 and was operating in a difficult environment due to the prolonged pandemic. The global economy was volatile in 2021 as COVID-19 cases surged with the emergence of new viral variants but the arrival of vaccines offered hope on the pandemic horizon. The re-imposition of lockdown restrictions disrupted supply chains and increased material prices, forced closure of business premises including sales galleries and placed downward pressure on housing prices. Construction slowdown were some of the operational issues the property development division grappled with alongside tighter lending practices that slowed housing loan approvals and consequently sales. Construction activities restarted upon the reopening of the economy as Klang Valley entered into Phase 2 of the NRP in September 2021 and in compliance with the relevant NRP Standard Operating Procedures.

Subsequent to the resumption of the construction activities at site, the construction sector was further dampened by the rising cost of construction materials and shortage of workers resulting in many contractors either terminating the construction contract or demanding for price fluctuation adjustments. The situation was worsened with the outbreak of the Russia and Ukraine war causing a major supply chain disruption.

The prolonged pandemic's effect on Malaysia's economy affected job stability and led to increased unemployment and reducing purchasing power of potential homeowners. The political climate in Malaysia went through some uncertain times, ultimately resulting in a change in Government administration with the appointment of Malaysia's ninth Prime Minister on 21 August 2021.

(A) OVERVIEW OF GROUP'S BUSINESS (CONT'D)

However the successful National COVID-19 Immunization Program that was ramped up in third quarter of 2021 achieved high vaccination rates which helped the transition of the country's pandemic management towards Phase 4 of the NRP by fourth quarter of 2021 with the easing of containment measures and the movement restrictions lifted and all sectors of the economy were allowed to operate with strict compliance to health and safety protocols. These positive developments ushered in the gradual recovery of the property market and contributed to a positive growth rate of 3% to 4% for our nation's Gross Domestic Product according to Bank Negara Malaysia's projections. Accommodative fiscal policies such as a low Overnight Policy Rate ("OPR") of 1.75% maintained since July 2020 and the lowering of mortgage rates from 4.2% in mid-2019 down to about 2.9% to 3.15% in end of October 2021 also bode well for the property development sector.

Governmental initiatives introduced to stimulate the property market such as the Home Ownership Campaign until 31 December 2021 saw the continuation of stamp duty waiver for loan agreements and instrument of transfer and Real Property Gains Tax exemption helped to soften the negative impacts of the pandemic on the homeownership.

(B) GROUP FINANCIAL REVIEW

The Group registered improvement in our financial performance from 1 April 2021 to 31 March 2022. The Group achieved a revenue of RM66.53 million which is 74.7% higher than the RM38.09 million revenue recorded for the previous financial year and contributing to the Group's gross profit of RM21.94 million which is 113.6% higher than the RM10.27 million recorded for the previous financial year.

Revenue of
RM66.53
million

Group's
gross profit of
RM21.94
million

During FY2022, the Group had completed the disposal of Jilin Province Maxcourt Hotel Limited, China for the sum of Chinese Renminbi 72.74 million or the Ringgit Malaysian equivalent of RM45.42 million. The Group's first "build and then sell" concept in its Seroja's Putra Perdana development project comprising of 192 apartment units with a Gross Development Value of RM44 million was completed and the Certificate of Completion and Compliance was issued in December 2021.

The Group registered a loss after tax of RM4.95 million for the 12-month period ended on 31 March 2022 after making prudent impairment provisions for inventories and assets which represents an improvement of RM25.95 million from the loss of RM30.90 million for the preceding financial year.

Shareholders' funds declined to RM278 million in FY2022 from RM282 million in FY2021.

With volatility in the local and global market, the Group remains committed in managing our financial position prudently to ensure the Group is prepared to meet any challenges or opportunities in the years to come.

At the end of FY2022, the Group total assets is RM701.49 million against total liabilities of RM423.40 million resulting in a net assets position of RM278.09 million.

The Group will continue to improve its financial stability by strengthening our balance sheet by proactively monitoring our liquidity position and managing an optimum Group's gearing ratio which is currently 0.25 to position for future development growth. The Group's total borrowings increased marginally from RM72.6 million to RM72.77 million which is an increase of 0.23% before taking into the account the final payment and full settlement of our RM134.2 million Al-Bai Bithaman Ajil Islamic Debt Securities on 28 June 2022.

We have embarked on a number of efforts to improve our operating cashflow position including taking on a cost rationalisation exercise and continuing to dispose the Group's inventory and monetise our non-strategic underperforming landbanks.

During the FY2022, the Group had successfully negotiated with IJM Properties Sdn Bhd to extend the repayment of RM207.83 million owing to them by two years to 21 May 2024 with terms to incorporate an amicable arrangement to set off a property to IJM Properties Sdn Bhd to partially settle the amount and to charge certain properties to IJM Properties Sdn Bhd as collateral for the balance.

Subsequent to the financial year end, a term loan facility of RM29.5 million due on 8 June 2022 has been extended to 31 May 2023.

During FY2022, the Group has also acquired the remaining 50% equity each of Good Debut Sdn Bhd and Cekap Tropikal Sdn Bhd which are both now 100% wholly owned subsidiaries of the Group.

Cultivation of Passion Fruits at Menara Maxisegar's 9th Floor Greenhouse Showcase

(C) REVIEW OF BUSINESS OPERATIONS

PROPERTY INVESTMENT AND DEVELOPMENT

As at 31 March 2022, the Group has an existing strategic land bank of approximately 726 acres of development lands in choice locations in the State of Selangor. The Group has several new housing projects that have been approved by the authorities. The strategic choice landbank of the Group positions it to propel the future growth of its property development for the next 10 years ahead.

(1) Existing Projects

(a) Taman Puncak Jalil

Taman Puncak Jalil, is located next to Technology Park along Sungai Besi-Puchong road. Adjacent developments are Lestari Perdana on the southeast, Taman Equine on the south, Bandar Kinrara on the northwest and Bukit Jalil Sports Complex on the north. The project has remaining land bank of approximately 30.11 acres, with estimated Gross Development Value of RM610 million with an expected development period of six years.

(b) Putra Perdana

Putra Perdana is located on the southern side of Puchong-Kajang trunk road, 5 km from Batu 14 Puchong, within Cyberjaya and adjacent to the Multimedia Super Corridor, 5 km west of Putrajaya and 13 km north of the Kuala Lumpur International Airport. The project has remaining land bank of approximately 66.78 acres, with an estimated Gross Development Value of RM3.2 billion.

(c) Bukit Sentosa III

Bukit Sentosa III forms an integrated township covering approximately 994 acres of freehold land in the Mukim of Serendah, approximately 47 km north of Kuala Lumpur. It is accessible through the North-South Expressway via the exit at Bukit Beruntung Interchange. The comprehensive new township comprises a mixed development of residential, commercial and industrial properties.

Bukit Sentosa III, with a balance land bank of approximately 66.27 acres is undertaken by TTB and Europlus Berhad, a wholly-owned subsidiary of TTB. The estimated Gross Development Value is about RM461 million.

(d) Bandar Bukit Beruntung

Bandar Bukit Beruntung, a converted 5,500 acres of freehold land, is located north-west of Rawang, approximately 40 km from Kuala Lumpur and will be developed by Europlus Berhad.

Bandar Bukit Beruntung has a balance land bank of approximately 154.48 acres and current market valuation of RM165 million.

(e) Bukit Beruntung III

Bukit Beruntung III is a mixed development project undertaken by Europlus Berhad. The project is located adjacent to the east of Bandar Bukit Beruntung within Bukit Beruntung Township off the East Side of the North-South Expressway, some 50km due north of Kuala Lumpur City Centre. The development has a balance land bank of 200 acres and estimated Gross Development Value of RM2.1 billion.

(f) Berjuntai Bistari Land ("Shah Alam 2")

The proposed Shah Alam 2, currently known as Berjuntai Bistari land, originally consisted of 3,000 acres of leasehold land. The land is located adjacent to the Universiti Industri Selangor campus, about 44 km from the towns of Batang Kali and Kuala Selangor, approximately 30 km from Rawang and 20 km from Bukit Beruntung. The development is accessible via the coastal road to Kuala Selangor.

As at 31 March 2022, we have a remaining land bank of 91.39 acres which will be developed as a water front development when the area matures for development.

(C) REVIEW OF BUSINESS OPERATIONS (CONT'D)

PROPERTY INVESTMENT AND DEVELOPMENT (CONT'D)

(2) Future Projects

(a) Sierra-Selayang

Sierra Selayang is a residential development project undertaken by Zhinmun Sdn Bhd. The project measures 50 acres and is located at Mukim of Batu, District of Gombak, State of Selangor. The Gross Development Value of Sierra Selayang is estimated to be RM737 million and implementation is expected to be over a period of eight years. The development is currently in the process of submission of Master Planning Layout.

(b) Selayang Green

Selayang Green is a residential development project undertaken by Cekap Tropikal Sdn Bhd. The project measures 50 acres and is located at Mukim of Batu, District of Gombak, State of Selangor. The Gross Development Value of Selayang Green is estimated to be RM700.59 million and implementation is expected to be over a period of six years. The development is currently awaiting the endorsement of the detail development planning approval.

(3) Joint Venture Projects

(a) 184 Units Three Storey Semi-Detached House and 178 Units High Cost Apartments at Taman Puncak Jalil

This is a joint-venture development project undertaken by Trident Treasure Sdn Bhd, a 40%-associate of the Group. The development is part of Taman Puncak Jalil project and is located next to Technology Park along Jalan Sungai Besi, Puchong road. The Gross Development Value is estimated to be RM367 million. The development is currently awaiting authority's approval on the development order amendment.

(4) Other Businesses

(a) Commercial Complexes

(i) Menara Maxisegar

A 24-storey Commercial Complex comprising an 18-storey office tower, 3 levels of retail space and 3 levels of car park that fronts Jalan Pandan Indah 4/2 and is strategically located within the commercial centre of Pandan Indah. The complex contributed rental income of approximately RM1.87 million in the financial year ended 31 March 2022.

(ii) Pandan Kapital

A 2-storey Shopping Complex with one basement car park that fronts Jalan Pandan Utama is strategically located within the commercial centre of Pandan Indah. The Group currently own 86% of the retail space of the complex. The complex contributed rental income of RM2.29 million in the financial year ended 31 March 2022.

(C) REVIEW OF BUSINESS OPERATIONS (CONT'D)

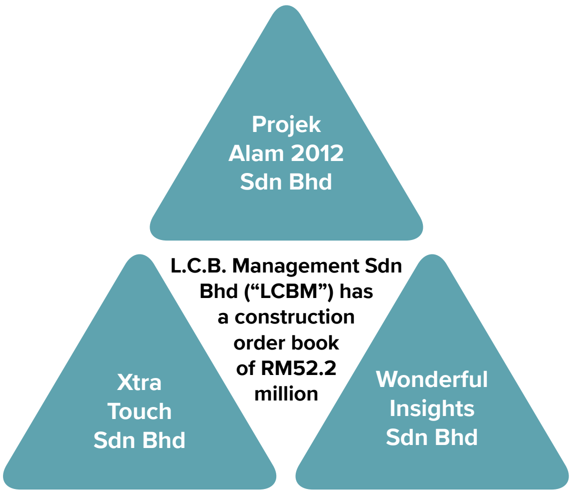
PROPERTY INVESTMENT AND DEVELOPMENT (CONT'D)

(4) Other Businesses

(b) Construction

L.C.B. Management Sdn Bhd ("LCBM"), a wholly-owned subsidiary of TTB, has a construction order book of RM52.2 million from Projek Alam 2012 Sdn Bhd, Wonderful Insights Sdn Bhd and Xtra Touch Sdn Bhd and barring any unforeseen circumstances, the Group expects to be able to recognise it as revenue in subsequent accounting periods.

On top of the construction contracts awarded, LCBM was also appointed by the abovementioned developers to provide sales and project management services for their projects namely, Alam Perdana Industrial Park, D'Seven at Lagoon Perdana, Laman Putra and Ukay Perdana with an estimated total gross sales value of RM991 million.



(D) OUTLOOK AND PROSPECTS

Entering into 2022 with the Malaysian economy emerging from the COVID-19 pandemic and the reopening of all economic sectors in the fourth quarter of 2021 and supported by the Government's commitment not to impose future lockdowns amid high vaccination rates and the rollout of booster shots, the path to recovery in 2022 has shown positive signs of growth. With these developments, the nation's Gross Domestic Product is projected to grow by 5.5% in 2022 which is higher than 3.4% estimated for 2021 driven by increased consumer spending from pent-up demand, the recovery of the labour market and the anticipated rebound of public investment in infrastructure development projects.

Bank Negara Malaysia ("BNM") expects the economy for 2022 to remain on the path to recovery, although there are challenges and downside risks to growth due to external and demand factors including weaker-than-expected global growth, further escalation of geopolitical conflicts, worsening supply chain disruptions and inflationary risks. With the transition to endemicity and to support economic recovery amid the positive growth momentum in the Malaysian economy from the firm domestic demand and retail spending and higher exports, BNM had raised the overnight policy rate ("OPR") back to back by 25 basis points each at its Monetary Policy Committee ("MPC") meeting on 11 May 2022 and 6 July 2022 to 2.25%. This back-to-back OPR rate hikes by the central bank will raise the interest rate for housing loans and make potential home buyers more cautious about buying property.

For the global economy recovery, the International Monetary Fund ("IMF") forecasts a global growth projection of 4.4% for 2022. However the recent outbreak of the Russia and Ukraine war causing a major supply chain disruption may impede Malaysia's export-led economic recovery.

On the domestic front, the Ministry of Finance in its Economic Outlook 2022 and Budget 2022, expected economic recovery to gain momentum in 2022 with projected growth between 5.5% to 6.5% supported by a rebound in domestic demand, continued expansion in exports and improvements in the trading of goods and the labour market.

Going into 2022, the outlook for the property market continues to be cautious. Properties priced under RM0.50 million saw a 18.5% increase in transactions in homebuying in the first half of 2021 according to data from the National Property Information Centre. This is a positive sign for the property market's recovery trajectory which is expected to flow over into 2022 and beyond. The Government's removal of real property gains tax on properties sold after 5 years from when it was first acquired in Budget 2022 will boost the property industry as it will help encourage home ownership and home upgrades in the coming years.

The Government's allocation of RM1.5 billion to fund low-cost housing projects with an additional RM2 billion allocation under the Housing Credit Guarantee Scheme for those without a steady income will improve housing loan accessibility to assist low-income earners to own a home. These incentives augers well for the property market and enlarge the pool of potential homeowners which will in turn benefit TTB as an affordable housing developer leveraging on our competitive advantage in the affordable housing segment of the market.

Semi-Detached Houses at Ukay Perdana

(D) OUTLOOK AND PROSPECTS (CONT'D)

With the economy going into recovery mode, we will accelerate our turnaround strategy. Costs management and design value engineering will be reflected across all key areas to improve efficiencies, cost effectiveness and productivity. Further leveraging on the Group's existing 726 acres strategic development lands in choice locations in Selangor, we are constantly reshaping our products to incorporate innovative features into future developments to create long-term value for purchasers and a sustainable long term housing development business.

In the construction sector, the Group has an order book of RM52.2 million and will continue to seek new opportunities to increase its order book.

We will develop strategies and adaptive policies as we move forward into a new normal. Plans include diversification into agriculture to generate new income streams for the Group and reduce our dependence on pure property development and sales. With supply chain disruptions, food security and food sustainability have become a new business opportunity and the Group is embarking into agriculture and horticultural commercial farming to supply essential food supplies to generate new cash flow for the Group. We have obtained the development order and infrastructure plans approval for the commercial greenhouses on 19 acres of our lands in Bukit Beruntung and are now awaiting approval for the greenhouse building plan.

To realise our aspiration to build a resilient future, we will continue to identify our challenges and issues and progressively take the necessary steps to make things right so that we can continue to focus on unlocking value from our assets.

The Group will strive for long-term sustainability and maintain our track record of operational efficiencies and financial stability to spur continued growth and value creation. The Group will also focus on succession planning to develop a talent pool to raise high calibre professionals equipped with skills and acumen for the property development, construction and agriculture sector.

Going forward into FY2023, the Group is exploring new synergistic and collaborative partnerships or joint ventures to unlock the value of our assets through new business ventures or new investments.

Group photo after the visit by the Pengarah of Jabatan Pertanian Selangor held in front of our Greenhouse Showcase on the 9th Floor of Menara Maxisegar

The Group is embarking

agriculture

horticultural commercial farming

The Group will also focus on succession planning to develop a talent pool to raise high calibre professionals equipped with skills and acumen

Property Development

Construction

Agriculture

SUSTAINABILITY STATEMENT

INTRODUCTION

The Board of Directors ("Board") of Talam Transform Berhad ("TTB" or "the Company") recognises the importance of developing its businesses in a sustainable and responsible manner and has endeavoured to maintain a balance between economic performance to create values for its shareholders and its responsibility towards environment and social obligations. TTB and its subsidiaries ("the Group") are committed to ensure that the concept of business sustainability becomes an integral part of its organisation culture that inspires its employees to embrace sustainable changes through the work they do.

This Sustainability Statement ("Statement") formally sets out our approach to sustainability and includes the various sustainability initiatives and activities that we have undertaken for the financial year which have an impact on the economic, environmental and social ("EES") aspects. This Statement covers our core businesses comprising of property development, construction, property management and agriculture which are all located in Malaysia.

The current reporting year will cover 12 months from 1 April 2021 to 31 March 2022.

REPORTING STANDARDS

Our sustainability reporting is in line with the new Global Reporting Initiative ("GRI") standards, prioritising our focus on reviewing our material issues and mapping out our route forward to embed sustainability throughout our business operations without compromising the environment for generations to come. In addition, we will also demonstrate our commitment to integrate sustainability practices and preparing this Statement according to the Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("MMLR") and Sustainability Reporting Guide and Toolkits issued by Bursa Malaysia Berhad ("Bursa Malaysia").

TALAM TRANSFORM BERHAD'S VISION, MISSION AND CORE VALUES

Our Vision, Mission and Core Values are as follows:-

Vision	Mission	Core Values
To be a reliable property developer, contractor, agriculture food supplier of choice by delivering affordable housing, quality construction works and agriculture produces.	To achieve growth through the development and construction of properties as well as adopt sustainable modern agriculture farming that meets the needs of the market and embrace the fostering of sustainable communities.	To deliver value, fostering teamwork, maintaining integrity and building relationships.

REVIEW OF OPERATION

The detailed review of the Group's operations is elaborated in the "Management Discussion and Analysis" section of this Annual Report.

The following are the key financial highlights of the Group for the financial year ended 31 March 2022:-

1	Revenue (RM'000)	66,528
2	Loss Before Tax (RM'000)	(1,743)
3	Loss after Tax attributable to owners of the Company (RM'000)	(4,843)
4	Basic Loss Per Share (Sen)	(0.11)
5	Net Tangible Assets per Share (RM)	0.06

Our property development division continues to be the mainstay of the Group followed by the construction division. TTB endeavours to deliver improved results to its shareholders through proactive implementation of various strategies including enhancing its existing land bank's values to reposition itself for growth, driven by TTB's experienced and committed management team.

On our agriculture business, we have built 3 greenhouses on the 9th floor roof-top of our corporate office at Menara Maxisegar which also houses our research and development centre. As at the end of the financial year, we have successfully cultivated crops such as golden melons, butternut squash, dragon fruits, mangoes, bananas, passion fruits, grapes, mangosteen, cauliflower, ginger and most of them have been successfully harvested.

On the commencement of the commercial modern agriculture farming via greenhouse technology on our main plantation site measuring 19-acres at the Group's own land banks in Bukit Beruntung, we are still waiting for the approval of the greenhouse building plans. Therefore, we will report the sustainability initiatives and activities of the agriculture business in more detail in the next financial year.

Plantation site measuring

19-acres

at the Group's own land banks in Bukit Beruntung

SUSTAINABILITY STRATEGY

As a public listed company, TTB is committed and guided by its corporate policies, operational strategies and corporate governance with the objective of improving its shareholders' value in the long term. Despite the present challenging operating environment, TTB continues to practice prudence and stay focused on delivering growth, while being mindful of emerging risks. Therefore, the Group is committed to uphold proactive and prudent financial and risk management to sustain its business.

Our approach to driving sustainability is based on our core values. Accordingly, relevant policies and procedures were established throughout the Group to support such move towards sustainability. Whenever practical and required, we will incorporate further relevant sustainability factors in our businesses.

SUSTAINABILITY GOVERNANCE STRUCTURE/FRAMEWORK

The Board has the ultimate responsibility to ensure that sustainability efforts are embedded in the strategic direction of the Company. We have therefore established a Sustainability Committee which oversees the formulation, implementation and effective management of our sustainability matters and also ensure that they are in line with our business strategies. The Sustainability Committee is also supported by various working groups responsible for implementing the initiatives within the organisation. The Executive Directors and the Group Chief Executive Officer ("CEO") will update the Board of key EES risks and opportunities.

The governance of our sustainability agenda is important to the Group as it enables its businesses to effectively embed sustainability. Good governance structures also ensure that TTB is aligned to its core principles and standards. Demonstrating its commitment from the top, the Group's sustainability agenda is governed by the Sustainability Committee which comprises of TTB's Executive Directors, Group CEO and key senior management.

MATERIALITY ASSESSMENT PROCESS

TTB defines material sustainability matters as those that impact our businesses as well as our stakeholders and influence how our stakeholders make decisions, which in turn affect our ability to achieve our long term goals and thrive as a sustainable business.

TTB periodically reviews its identified material sustainability matters to determine if they continue to be relevant to our business. The process is conducted by the Sustainability Committee and supported by the various working groups, which take into account the updated feedback from both internal and external stakeholders.

During the financial year, we have determined that the following material sustainability matters as identified shall continue to remain relevant to our businesses for the forthcoming financial year:-

ECONOMIC

Corporate Governance and Compliance

To be a transparent, accountable and ethical business entity

Procurement Practice and Supply Chain Management

To stay competitive and enhance local economic development

Innovative and Business Growth

To develop competitive advantage in business and create value for customers, investors and shareholders

Branding and Reputation

To impart confidence to customers and stakeholders for recurring business

Customer Satisfaction and Product Quality

To create customer loyalty and satisfaction

Customer Data Privacy and Security Protection

To build up customers' trust and safeguard confidential information of the Company

MATERIALITY ASSESSMENT PROCESS (CONT'D)

ENVIRONMENTAL

Environmental Pollution Management and Compliance

To preserve a sustainable environment for the future generation

Water & Energy Management and Green House Gas ("GHG") Emission

To minimise resources depletion and maximise cost saving

Waste Management and Recycling

To reduce wastage of resources, thereby reduce cost and help to preserve the environment by minimising pollution

SOCIAL

Employee Benefit, Welfare, Well-Being, Career Advancement & Development and Recreation

To preserve a sustainable environment for the future generation

Neighbourhood and Sustainable Community

To create a conducive environment for community interaction and connectivity through well planned property development in terms of its layout designs and services

Occupational Health and Workplace Safety

Reducing the impact on financial and casualty arising from workplace injuries

Welfare and Corporate Social Responsibility ("CSR")

Engage in charitable act of giving and volunteering effort within our community especially for the needy segment

STAKEHOLDER FEEDBACK CHANNELS

Stakeholder	Stakeholder Feedback Channels
Customer	• Customer Satisfaction Survey • Company Website • Sales & Promotion Activities • Social Media
Supplier/Contractor	• Client and Consultant Meeting • Site Meeting
Investor/Shareholder	• Annual General Meeting • Investor & Analyst Briefing • Company Website
Regulator/Authorities	• Dialogue • Seminar
Community	• CSR Engagement • Company Website • Social Media
Media	• Press Interaction • Social Media
Employee	• Training Seminar • Town Hall Meeting • Departmental Meeting • Performance Appraisal
Non-Governmental Organisation	• Dialogue Engagement

ECONOMICS

The Group's activities are based on responsible development with the aim of improving the lives of local communities and focusing on winning customers' confidence through trust and reliability.

(1) Corporate Governance and Compliance

Establishing good corporate governance in a company is the key to ensuring the success of its business and provides a framework for structured decision making process to occur. Through this, the Board of Directors and employees can better understand the most practical and proactive steps to take towards achieving good economic, environmental and societal outcomes for our business.

Hence, the establishment of the Sustainability Committee to oversee the formulation, implementation and effective management of our sustainability matters. It also sets out the strategic direction of the Group's agenda and to approve sustainability strategy and framework. Routine reports on management targets and performance of processes and controls as well as strong governance enables effective oversight of business compliance. With sound policies, systems, processes and internal controls in place, we will be able to adhere to all applicable laws and regulatory requirements.

The Sustainability Committee champions and governs all environmental and social initiatives across the organisation and is responsible for revising and formulating our sustainability strategy as well as to communicate with the Heads of Department on implementing the initiatives. With the implementation of corporate governance and adherence to best business practices, there have been no reports of non-compliance issues during the reporting year.

(2) Innovative and Business Growth

New creative ideas and proper planning throughout the development stages were initiated to create added value which includes new design, technology, services and processes. The emphasis on constructing buildings to a higher standard required significant investments in innovative building technologies. The landscape of building products, materials, components and systems have increased substantially in recent years. This advancement has paved the way for new design and construction methods that make buildings stronger, safer, more durable and more efficient. During the initial stage of development, we have identified four different phases of project management structure namely, conceptual, scoping, design and implementation.

Conceptual phase

- Identify funding source and scope based on market demand
- Identify any requirements tied to funding

Scoping phase

- Identify "must have/ want to have" items and perform prioritisation based on market demand
- Plan size of project based on available budget

Design phase

- Review cost/benefit analysis, methodology options and perform analysis
- Perform cost optimisation

Implementation phase

- To monitor budget effectiveness and sustainable construction methodology
- Plan for effective system maintenance

However, it is important to highlight that economic feasibility and performance considerations are critical throughout the life cycle of a project.

ECONOMICS (CONT'D)

(3) Customer Satisfaction and Product Quality

Customer satisfaction is critical for our business to be a success and for further improvement. Therefore, we will keep striving to deliver quality workmanship and values to meet customers' rising expectations.

Stringent quality control checks and procedures are necessary and require standards like Qlassic to be implemented in our projects. It will set out the standard on quality of workmanship for various elements of building construction work such as structural, architectural, mechanical, electrical and external works. Hence, having a well-executed Product Quality Management Plan is crucial to uphold the Group's reputation as a committed and responsible developer. As part of the quality management system, surveys are taken from customers for quality monitoring of projects delivered. Post mortem studies on completed stages of the projects will be implemented to understand ways to improve further on our project and service quality.

Customer engagement is equally important whereby understanding and knowing their expectations will strengthen our insights into their "wants and needs". Periodical customer satisfaction surveys will be carried out to enable us to constantly develop and deliver better products and services to the market.

On agriculture, we as provider of food security will have to ensure the safety and quality of our food produces as we are accountable to public safety where food consumption is concerned. Therefore, we will adopt the Malaysian Good Agriculture Practice ("MyGAP") as our agriculture industry standard as it is a comprehensive certification scheme which emphasises on EES obligations to ensure each produce is safe and of good quality, and also adopt the best practices in protecting our workers' safety and welfare as well as the environment. In addition, we adopt sustainable farming by using quality seeds such as F1 hybrid seed to maximise economic value while improving social and environmental conditions as this type of seed will consistently produce the same quality agriculture crops and reduces pesticides and chemical treatments dependency.

F1 hybrid seed
to maximise economic value while improving social and environmental conditions

(4) Procurement Practice and Supply Chain Management

Our commitment is to procure more resources locally and to support capable local vendors which in turn will generate local job creation. This will encourage consistent delivery of quality products and timely services. With effective management, it helps to create value, efficiencies, competitiveness which reduce the risk of business disruptions, conserve resources and ensures compliance to regulations. We select contractors, suppliers and other supply chain partners who share our values and work innovatively.

Different requirements and guidelines are set for new suppliers at the pre-qualification stage depending on the goods or services offered. Sustainability clauses are also included in contracts to raise the standards of our suppliers' base and also to ensure that our supply chain is robust and exceeds our high standards.

Our sustainable supply chain core principles are:-

(i) Compliance with applicable laws including all environmental, health and safety and labour legislation. On labour issues, we have stated in all our letters of award to contractors that the engagement of illegal workers are strictly prohibited at our project sites. As a result, there were no reported cases of illegal workers caught in our project sites during the financial year.

(ii) Harmful environmental impacts to be reduced and to promote environmental friendly policies in the areas of waste and disposal, improved resources efficiency, biodiversity protection, controls to minimise the release of harmful emissions into the environmental. We also to minimise the negative impact on society and the environment such as noise, dust and other pollution.

On agriculture business, we source our agriculture materials mainly from local suppliers which will help promote growth for our local economy.

ECONOMICS (CONT'D)

(5) Branding and Reputation

In order to restore the Group's reputation as a reliable property developer, we strive to maintain good controls throughout the construction phases until the end of the project in order to ensure consistent quality products. Hence, our staff has attended various seminars related to property development to further improve their skills and knowledge in order to perform better at their job. In doing so, the quality of our properties will be further improved as there is better monitoring during the construction process.

On the Group's branding, we have re-focused our property portfolio into building more quality and affordable homes based on market demands in line with the soft property market, tight credit and financing conditions. Therefore, the Group has embarked into "build and then sell" ("B&S") concept development on smaller scale land banks and has implemented its first project of 192 apartment units in Putra Perdana, Sepang known as Seroja Apartments. The construction works for this project have completed and we have obtained the Certificate of Completion and Compliance ("CCC") on 14 December 2021. The sales are in progress and the lock-in sales are encouraging. The units' built-up areas are 738 square feet and 769 square feet respectively and selling at an affordable price with total Gross Development Value ("GDV") of about RM44.36 million. Customer satisfaction is delivered through our good quality products. Focusing on affordable housing will help us gain customer loyalty, reaching out to new audiences and expand our market.

738 square feet and 769 square feet respectively

"Build and then sell" ("B&S") concept development on smaller scale land banks

(6) Customer Data Privacy and Security Protection

The emphasis on Information and Communication Technology and adequate data security management is necessary in this digital environment. Compliance with the Personal Data Protection Act 2010 is important to safeguard confidential details of our customers and business partners against any personal data leakages.

Investment in the firewall systems to safeguard against any cyber security risks is necessary. Aside from digital security measures, installation of closed circuit television systems to monitor people movements within the office premises will safeguard against any form of unwarranted risks and dangers.

Cyber Security Framework involves the following parameters:-

Identify

Understanding the cyber security risks in relation to systems, assets, data and capabilities

Protect

Measures to protect and maintain critical infrastructure services

Detect

Processes to identify the occurrence of a cybersecurity threat

Respond

Arrangements to act regarding the detection of any possible cyber security threat

Recover

Plans and restoration procedures to reinstate capabilities or services impaired due to cyber security events

ENVIRONMENTAL

We are mindful of the environmental impact of our activities and maintain full compliance with the environmental regulations. We take responsibility for the management of our environmental impact seriously and will continue to develop effective environmental initiatives to protect the environment. The industry we are in have extensive direct and indirect impact on the environment and by aligning ourselves with the sustainable development goals, we will be able to design and construct buildings sustainably. Our emphasis is to grow the business without compromising the quality of the environment that we live in.

The Group integrates environmental concerns within its operations and practices at different levels of the organisation. It also ensures that there are sufficient measures at all its construction sites and workplaces to prevent any adverse impact on the environment. For the financial year, there were no cases of compound penalty or non-monetary sanction imposed on our business entities by the government authorities for non-compliance in environmental issues.

Under the Property Division, designs of energy-efficient equipment and rainwater harvesting features were introduced into our projects to save on energy and water consumption. We encourage adequate landscaping and tree planting for our projects to help create a serene and green environment for the residents. As for the site clearing and earthwork for the development, we have adopted the design with minimum cutting of earthworks to protect the environment.

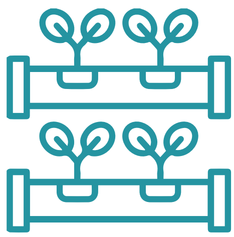
Under the Agriculture Division, we have adopted greenhouse agriculture farming technology which has rain harvesting feature to capture rain water for its usage instead of treated water from the water provider which is an additional cost to us.

(1) Pollution Management

The Group is concerned about the impact of pollution to the environment. We discourage all types of open burning in our construction site as it will further increase the pollution to the surrounding air. We also wash all our vehicles' tyres before leaving our construction site to ensure that the access roads are not dirtied with mud. Silt traps are also installed at the washing point near the exit to contain the mud from flowing into the nearby drain. For the construction sites which are nearby existing buildings, we are also mindful of the noise pollution created and therefore, we ensure that minimum noise pollution activities are to be carried out after working hours.

On agriculture, by adopting the greenhouse agriculture farming, we have eliminated pollution to the surrounding air and water by using air-hydro pots to plant our crops. Hence, we will only contribute to better air and water quality during photosynthesis process when our crops release more oxygen into the environment after taking in carbon dioxide out from the air. Our fertilisers are mixed in the nutrient tank and then flow into the hydro-pot. Hence, it will all be contained in the pot and no wastewater will flow to the land.

Designs of energy-efficient equipment and **rainwater harvesting** features were introduced into our projects to save on energy and water consumption



Adopting the greenhouse agriculture farming, we have eliminated pollution to the surrounding air and water by using **air-hydro pots** to plant our crops

ENVIRONMENTAL (CONT'D)

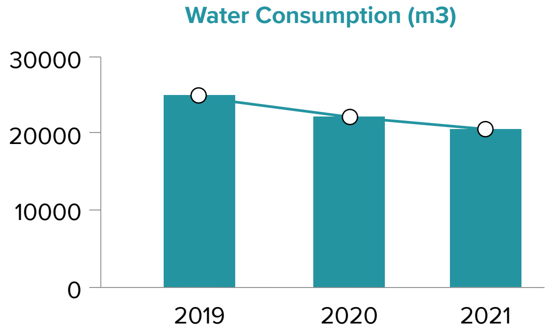
(2) Water & Energy Management and GHG Emission

The data presented below shows the water and electricity management and GHG emission statistics in our head office in Kuala Lumpur for the past 3 calendar years:-

Water Management

Water Consumption for Building – Menara Maxisegar

Year	Water Consumption (m3)
2019	25,982
2020	22,298
2021	**20,063**

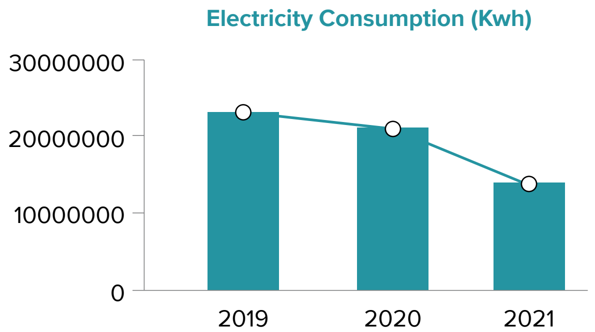


As water is a critical resource, we have implemented water conservation management by installing self-closing tap in most of our toilets in the building and also conduct daily inspection with prompt corrective action.

Energy Management

Electricity Consumption for Building – Menara Maxisegar

Year	Electricity Consumption (Kwh)
2019	2,425,799
2020	2,006,873
2021	**1,646,295**



Electricity is an essential cost component and it account for 50% of our building operating cost.

In our effort to minimise electricity consumption, we have equipped all common areas with timers and sensors besides changing all the lighting to energy saving and LED type. All escalators and lifts are switched off at night and on non-working days. Air-conditioners are being maintained at comfortable temperature to obtain the optimal electricity consumption. There was a drop in the electricity consumption partly due to the MCO enforced.

ENVIRONMENTAL (CONT'D)

(2) Water & Energy Management and GHG Emission (Cont'd)

GHG Emission

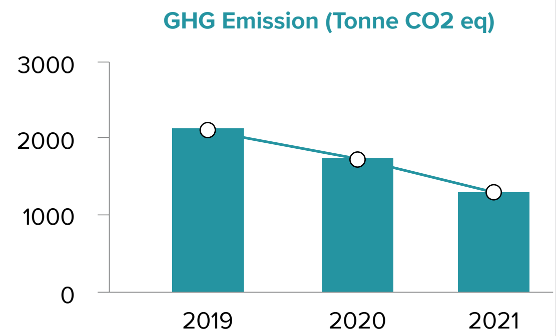
GHG Emissions can be divided into 2 types namely Direct GHG Emissions and Indirect GHG Emissions.

For Direct GHG Emissions, it covered vehicle and site machinery emission. The Group in its effort to reduce Direct GHG Emissions had ensured that all their vehicles and site machineries are tested and undergo maintenance according to planned schedules.

For Indirect GHG Emissions which covered emissions through electricity usage, we have established a data base on the electricity usage for our office as below:-

GHG Emission through Electricity Usage for Building – Menara Maxisegar

Year	GHG Emission (Tonne CO_2 eq)
2019	2,159
2020	1,786
2021	**1,465**



The Group is mindful of climate changes due to GHG emission. We have taken the initiative to reduce the GHG emission through electricity usage by maintaining our yearly electricity usage at its minimum.

(3) Waste Management and Recycling

The Group acknowledge that waste disposal is one of the major impacts to the environment. We have always ensured that our waste disposals are managed by licensed accredited contractors who dispose off the waste in accordance with regulations and local authorities' requirements. We also emphasise on reducing paper waste through paperless and electronic email implementation.

For our construction site, we practice separation of non-hazardous and hazardous material for recycling and disposal according to the authority requirement. Extending the life-cycle of scaffolding and aluminium frameworks by reusing them in other projects are also being practised. Our designs are also equipped with Industrial Building System technology which helped to reduce usage of timber frameworks and labours.

At our greenhouse located on the 9th floor, we manage our waste pollution by reusing our air hydro pots as they can last up to 15 years. Subsequent to 15 years, we can still continue to recycle the pots by either re-manufacturing it to its original state or sell them to the recycling centre. We also compost our crops' leaves / vines into fertiliser as they are organic and biodegradable. By composting, methane emissions will be significantly reduced and it also eliminates the need for expensive chemical fertilisers.

Reusing our air hydro pots as they can last up to
15 years

SOCIAL

(1) Value Our Employees

The employees are the most important assets of an organisation as a business cannot be successful without effectively managing its human resources and sustainability of the Company. The Group had constantly engaged, inspired and motivated employees in accomplishing its short term and long term objectives.

We practice Annual Performance Appraisal to evaluate each and every employee and target their relevant skill development needs to improve their efficiency and productivity. We provide appropriate in-house training and external training to assist our employee to perform their jobs and excel in their abilities as well as equipped them with the right skills to assume higher roles of responsibilities as part of their career development. During the financial year, the Company has conducted one in-house training for our Directors and Management team while some employees have attended various external trainings/seminars in areas such as Horticulture Empowerment & Melon Project, strata development related topics entitled "Lacuna in Mixed Strata Development", "Pengurusan Tenaga bagi Bangunan Industri dan Komersial di Kawasan MPAJ" and "Pemantapan Pengurusan Bangunan Kediaman Berstrata".

Our efforts are guided by a robust governance framework and updates from the Malaysian Employers Federation and other applicable regulatory organisation.

(2) Health and Safety

In our efforts to create a safe and conducive working environment, we uphold safety and health precautions strictly and recognise our employees as valuable human assets. Hence, we have complied with all applicable statutory requirements and regulations related to health and safety set by the Department of Safety & Health ("DOSH"). There were no injuries or casualties recorded at all our construction sites during the financial year under review.

Since the Movement Control Order ("MCO") was implemented on 18 March 2020 and subsequent re-implementation of the full MCO ("FMCO") on 1 June 2021 by the Government of Malaysia ("Government") due to the global COVID-19 pandemic, the Government has been imposing various phases of MCO lockdown to curb the spread of the COVID-19 outbreak in Malaysia. The Group had been adhering strictly to the health measures and precautionary actions imposed by the Government. We have also advised all our employees to constantly follow the standard operating procedures ("SOP") implemented by the Government in order to stay safe and prevent any untoward injury or ill health to them. Our staff at the head office and project sites are provided free mask and sanitiser to help protect them from the COVID-19 infection.

On Agriculture Division, we ensure our workers' safety by ensuring that personal protective equipment ("PPE") such as 3M masks or goggles are worn by them when they sanitise and disinfect the greenhouse before every new season's planting. Furthermore, we use sanitiser in liquid form instead of gas form as it is less damaging to the lungs when exposed. During this time, the workers do not enter the greenhouse for 3 days to do any operational works and thus, safeguard the health and safety of our workers working at the site.

On Agriculture Division, we ensure our workers' safety by ensuring that

personal protective equipment

("PPE") such as 3M masks or goggles are worn by them when they sanitise and disinfect the greenhouse before every new season's planting.

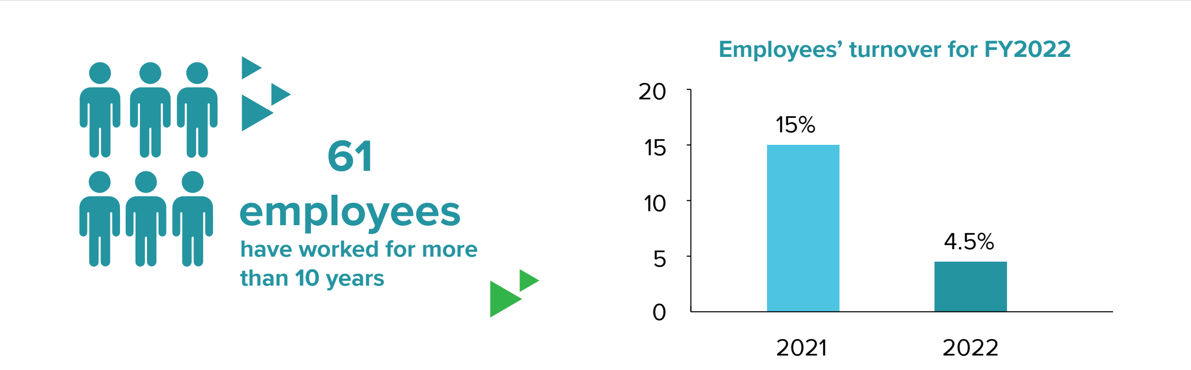
SOCIAL (CONT'D)

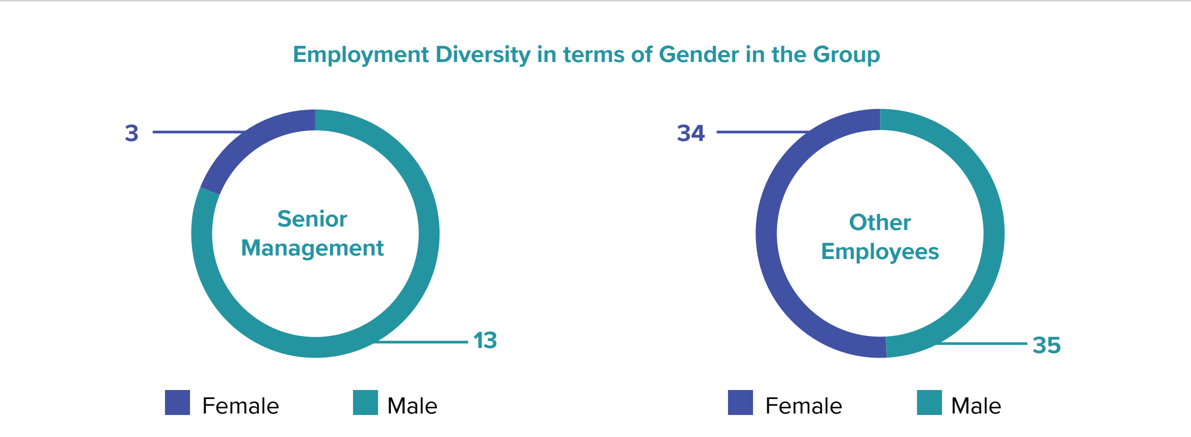
(3) The Work Place

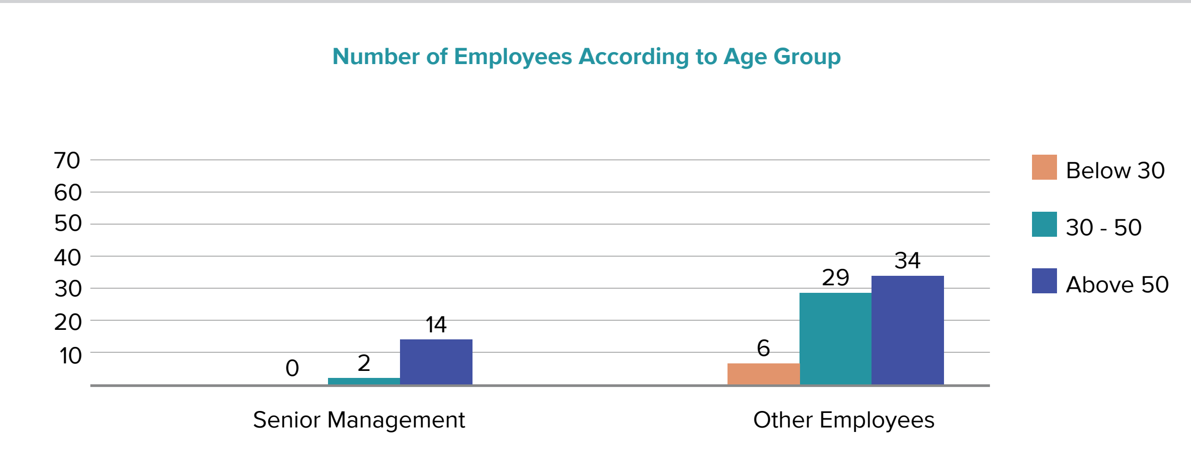
We promote a friendly culture in our organisation and have frequent fellowship lunch gatherings to foster closer working relationships and strengthen the bonding among employees by organising get-togethers and festive celebrations. However, due to the outbreak of the COVID-19 pandemic and implementation of the various MCO by the Government, we did not organise any gatherings during the financial year in order to avoid any infections among the employees and to adhere strictly to the SOP implemented by the Government to help curb the rise in infection rate.

We also emphasise teamwork and professionalism amongst our employees and strive to promote a culture of integrity and mutual trust in the work place. Our work force for FY2022 consists of 85 employees out of which 79% are under permanent employment. Employees' turnover for FY2022 was lower at 4.5% compared to 15% in FY2021.

We are proud of the loyalty of our remaining employees and a total number of 61 employees equivalent to 71.8% have worked for more than 10 years of service in the Group.







SOCIAL (CONT'D)

(4) Neighbourhood and Sustainable Community & Welfare and Corporate Social Responsibility ("CSR")

As a responsible corporation, the Group strives to continuously give back to the community as well as contribute to charitable organisations on a yearly basis. During the financial year, several events were organised as follows:-

International Women's Day at Pusat Beli Belah Pandan Kapital

An International Women's Day event was organised on 5 March 2022 (Saturday) at the Event Hall on First Floor of Pusat Beli Belah Pandan Kapital to celebrate the social, economic, cultural and political achievements of women with around 100 participants present.

Legal Aid Services and CSR

In collaboration with Messrs Ricky Tan & Co. in providing legal aid services to the community in need, the Company had continued its participation by offering one of its premises in Menara Maxisegar for this CSR initiative.

Community Welfare

The Company had contributed cash donation to the Old Folks Home Gopeng and the Little Sisters of the Poor where both homes take care of the welfare of the elderly poor.

LOOKING AHEAD

As we continue in our sustainability journey, we will constantly look for ways to improve our sustainability structure, both in terms of initiatives undertaken and our reporting structure to achieve our ultimate goal of building a sustainable business for generations to come. To achieve this, we will continuously keep abreast of developments in our industry, actively and regularly engage with our stakeholders, build upon our existing sustainability framework, and seek to further embed sustainable practices within our businesses so as to improve our overall sustainability performance.

Moving forward, it is our hope that we will continue to introduce new and good quality affordable homes for our customers, enrich our local communities, create value for our stakeholders, and be an organisation that people will be proud to associate with. In addition, we are also looking forward to our new business in agriculture which will contribute to healthy and safe food to our community besides generating new income for the Group.

This Statement was approved by the Board of Directors of the Company on 14 July 2022.

CORPORATE GOVERNANCE
OVERVIEW STATEMENT

The Board of Directors ("Board") of Talam Transform Berhad ("TTB" or "the Company") recognises the importance of good corporate governance and fully supports the principles and corporate governance practices as set out in the Malaysian Code on Corporate Governance ("MCCG"). The Board is therefore, committed towards instilling a high level of corporate governance throughout the Company and its subsidiaries ("the Group") as a fundamental part of discharging its responsibilities to enhance shareholders' value and the financial performance of the Group. The Board will apply the principles and corporate governance practices as set out in the MCCG and evaluate the Group's practices and procedures from time to time in response to the evolving practices and changing requirements.

This Corporate Governance Overview Statement ("Statement") provides an overview of the Group's application of the principles of the MCCG pursuant to Paragraph 15.25(1) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") during the financial year ended 31 March 2022 and to be read together with the Corporate Governance Report published on the Company's website under the Corporate Governance section at www.ttransform.com.my and Bursa Securities' website at www.bursamalaysia.com.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

(1) Board Responsibilities

The Board is fully responsible for the overall governance of the Group by promoting good corporate governance culture, providing strategic plans on business performance and sustainability, overseeing the proper conduct of business, risk management, internal control, succession planning, shareholders' communication, adequacy and integrity of financial and non-financial reporting, while the Management is accountable for the execution of the expressed policies and attainment of the Group's expressed corporate objectives. This demarcation complements and reinforces the supervisory role of the Board to oversee the performance of the Management to ensure that the business is properly managed. The Board gets updates from the Management at the quarterly Board meetings when reviewing the quarterly results. During these meetings, the Board participates actively in the discussion on the performance of the Company and the Group and also assesses the performance of the Management.

The Board is always guided by the Board Charter which outlines the duties and responsibilities and matters reserved for the Board in discharging its duties as follows:-

Duties and Responsibilities of the Board

(i) promote good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour;
(ii) review and adopt the overall strategic plans and programmes for the Group and ensure that the strategic plan supports long term value creation and includes strategies on economic, environmental and social consideration underpinning sustainability;
(iii) oversee and evaluate the conduct of business of the Group which includes supervision and assessment of the Management's performance to determine whether the business is being managed properly;
(iv) ensure there is a sound framework for internal controls and risk management;
(v) identify the principal risks of the Group, set the risk appetite within which the Management is expected to operate and ensure there is appropriate risk management framework to identify, analyse, manage and monitor significant financial and non-financial risks;
(vi) ensure the senior management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of the Board and senior management;
(vii) ensure the Company has in place procedures to enable effective communication with stakeholders; and
(viii) review the adequacy and the integrity of the financial and non-financial reporting of the Group.

The matters reserved for the Board include the approval of the corporate plans and programmes, annual budgets and major capital commitments, new ventures, material acquisitions and disposals of undertakings and properties, changes to the Management and control structure within the Group including key policies and delegated authority limits.

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

(1) Board Responsibilities (Cont'd)

Duties and Responsibilities of the Board (Cont'd)

As part of its efforts to ensure the effective discharge of its duties, the Board has delegated certain functions to the following Board Committees with each operating within clearly defined terms of reference that provide independent oversights of the Management and to ensure that there are appropriate checks and balances:-

(i) Audit Committee
(ii) Nomination Committee
(iii) Remuneration Committee
(iv) Executive Committee

The Chairman of the respective Board Committees reports to the Board on the outcome of the Board Committee meetings and for action by the Board where appropriate.

The Board shall at all times exercise collective oversight of the Board Committees and Management to an extent that would not significantly hinder or reduce the Board's ability to discharge its functions. Regular reviews on the roles and responsibilities of the Board Committees would be conducted, when the need arises, to ensure that the Company is able to adapt to changing business circumstances.

(2) Board Charter

The Board Charter was established to ensure that all Board members are aware of their fiduciary duties and responsibilities, various legislations and regulations affecting their conduct, the need to safeguard the interests of the shareholders, customers and other stakeholders and that a high standard of corporate governance is applied in all their dealings on behalf of the Company. The Board Charter also serves as a source of reference and primary induction literature to provide insights to prospective Board members and senior management. The Board Charter clearly sets out the division of responsibility and powers of duties between the Board and Management, between the Chairman and Executive Directors/Group Chief Executive Officer and the different Board Committees established by the Board.

The Board Charter is available on the Company's website at www.ttransform.com.my. The Board will periodically review and update the Board Charter to ensure it remains consistent with the Board's objectives and responsibilities, and all the relevant standards of corporate governance.

(3) Board Composition

The Board currently consists of 7 members comprising 3 Executive Directors, 3 Independent Non-Executive Directors and 1 Non-Independent Non-Executive Director. The current composition of the Board complies with Chapter 15.02 of the MMLR of Bursa Securities which requires that at least 2 Directors or one-third (1/3) of the Board, whichever is higher, are Independent Directors. The 3 Independent Directors represented 43% of the Board composition. In line with the MCCG, the Board shall endeavor that at least half of the Board members are independent directors.

The Board consists of qualified individuals with diverse set of skills, experience, knowledge and independent elements that are necessary to govern the Company. The Non-Executive Directors are professionals in the fields of engineering, property and construction, finance, accounting and legal. The profiles of the Directors are set out on pages 5 to 8 of this Annual Report and is also available on the Company's website at www.ttransform.com.my.

The Board is chaired by Mr Tsen Keng Yam who is also the Senior Independent Non-Executive Director to whom concerns relating to the Company may be conveyed. He can be contacted via email at adrian@ttransform.com.my.

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

(3) Board Composition (Cont'd)

There is a clear division of roles and responsibilities between the Independent Non-Executive Chairman and Executive Directors / Group Chief Executive Officer which are undertaken by separate persons to ensure that there is a balance of power and authority, such that no one individual has unfettered powers of decision making. The Chairman is responsible for the leadership, effectiveness, conduct and governance of the Board, while the Executive Directors / Group Chief Executive Officer have overall responsibility for the day-to-day management of the business and implementation of the Board's policies and decisions. The Executive Directors together with the Group Chief Executive Officer are responsible to ensure due execution of the strategic goals, effective operations within the Group and to explain, clarify and inform the Board on matters pertaining to the Group.

The responsibilities of the Chairman, amongst others, are as follows:-

(i) lead the Board in establishing and monitoring good corporate governance practices in the Company;
(ii) lead the Board and ensure effectiveness in all aspects of its role;
(iii) ensure an efficient organisation and conduct of the Board's function and meetings;
(iv) facilitate the effective contribution of all Directors at Board meetings;
(v) chair Board meetings and encourage active participation and allowing dissenting views to be freely expressed and discussed;
(vi) chair general meetings of the Company and provides clarification on issues that may be raised by the shareholders;
(vii) promote constructive and respectful relations between Directors, and between the Board and Management; and
(viii) ensure effective communication with shareholders and relevant stakeholders.

The responsibilities of the Executive Directors/Group Chief Executive Officer, amongst others, are as follows:-

(i) develop and implement corporate strategies for the Group;
(ii) supervise heads of divisions/departments who are responsible for all functions contributing to the success of the Group;
(iii) ensure the efficiency and effectiveness of the operation for the Group;
(iv) assess business opportunities which are of potential benefit to the Group; and
(v) bring material and other relevant matters to the attention of the Board in an accurate and timely manner.

The Non-Executive Directors provide the necessary balance of power and authority to the Board with a mix of industry-specific knowledge and broad business and commercial experience. They ensure that all proposals by the Management are fully deliberated and examined, after taking into account the interest of shareholders and stakeholders.

The Independent Non-Executive Directors are independent of the Management and free from any business relationship which could materially interfere with the exercise of their judgment. They play a crucial role in providing unbiased and independent views, advice and judgment to the Board to safeguard the interests of minority shareholders.

(4) Board Diversity

According to the Company's Board Diversity Policy, the Board recognises diversity as an important criteria to determine the optimum composition which can enhance decision making capability and quality of the Board's performance. Increasingly, diversity at the Board level is considered an essential element in supporting the attainment of the Company's strategic objectives and sustainable development as it leverages on the differences in perspective, knowledge, skill, industry experience, background, age, ethnicity, race and gender between the Directors.

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

(4) Board Diversity (Cont'd)

The Board would consider appropriate targets in the achievement of the Board Diversity Policy including gender balance on the Board when recruiting new Directors of the Company and would take the necessary measures to meet these targets from time to time as appropriate. The Board will consider more women representation in the composition of the Board for boardroom diversity when suitable female candidate becomes available. In identifying candidates for appointment of Directors, the Board (through Nomination Committee) will also explore independent sources to identify suitably qualified candidates other than relying on the recommendations from the existing Board members, Management and/or major shareholders.

Presently, Ms Chua Kim Lan is the only female Director on the Board, representing approximately 14% women participation on the Board. Hence, the Company has met the requirement imposed by the Bursa Securities of having at least 1 woman director on its Board by 1 June 2023 pursuant to its letter dated 19 January 2022. However, the Company will consider more female representation the Board when vacancies arise or suitable candidates are identified in line with the Group's strategic objectives.

The Board and Nomination Committee, in reviewing and assessing suitable candidates for the Board and performing annual assessment on each Director, would be guided by the above policy on diversification.

(5) Tenure of Independent Director

Practice 5.3 of the MCCG states that the tenure of an independent director shall not exceed a cumulative term of 9 years. However, upon completion of the 9 years' tenure in office, the director may continue to serve on the Board as an independent director subject to shareholders' approval on an annual basis. In line with the recommendation of the MCCG, the Company has adopted this best practice in its Board Charter. The Company will also apply the two-tier voting process in seeking shareholders' approval to retain the Independent Director who exceeded 9 years' tenure in office. The Company does not have a formal policy which limits the tenure of its Independent Director to 9 years without further extension yet but has intention to adopt it in the near future.

The Board is of the view that the ability of long serving independent directors to remain independent and to discharge their duties with integrity and competency should not be measured solely by tenure of service. The extended service should not affect their independence, as they are still able to provide independent judgment, experience and objectivity without being subordinated to operational considerations.

Mr Tsen Keng Yam, Dato' Kamaruddin Bin Mat Desa and Datuk Dr Ng Bee Ken have all served on the Board as Independent Non-Executive Directors for more than 12 years. Accordingly, the Nomination Committee and the Board, have determined at the annual performance evaluation and assessment of all the independent directors, that Mr Tsen Keng Yam, Dato' Kamaruddin Bin Mat Desa and Datuk Dr Ng Bee Ken shall remain and continue to act as Independent Non-Executive Directors of the Company based on the following justifications and will seek shareholders' approval to retain them in that capacity at the forthcoming 97th Annual General Meeting ("AGM") of the Company through a two-tier voting process:-

(i) All of them have fulfilled the criteria under the definition of Independent Directors as stated in the MMLR of Bursa Securities, and therefore, are able to bring independent and objective judgment to the Board;

(ii) Mr Tsen and Datuk Ng's experience in the various industries enables them to provide the Board with a diverse set of experience, expertise, skills and competence;

(iii) Mr Tsen, Dato' Kamaruddin and Datuk Ng have been with the Company for more than 18 years, 14 years and 12 years respectively. Therefore, they understand the Company's business operations which enable them to participate actively and contribute during deliberations or discussions at the Board and Board Committees' meetings;

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

(5) Tenure of Independent Director (Cont'd)

(iv) All of them have contributed sufficient time and effort to attend the Board and Board Committees' meetings for the financial year ended 31 March 2022 to obtain independent information required for a balanced decision making. All of them have attended all the Board and Board Committees' meetings held during the financial year; and

(v) All of them have exercised due care during their tenure as Independent Non-Executive Directors of the Company and carried out their duties in the interest of the Company and its shareholders.

The Nomination Committee took cognisant of Practice 5.1 and the recent amendments to the Main Market Listing Requirements in connection with the independence of Directors which will take effect on 1 June 2023 and has commenced the restructuring exercise on the composition of the Board and will seek suitable calibre candidates as Independent Non-Executive Directors of the Company to comply with the aforesaid requirements.

(6) Code of Ethics and Conduct and Whistle Blowing Policy

The Board has established the Code of Ethics and Conduct ("CEC") to create a corporate culture within the Group to operate the businesses in an ethical manner and to uphold the highest standards of professionalism and exemplary corporate conduct. The CEC which sets out the principles and standards of business ethics and conduct of the Group is applicable to all Directors and employees of the Group. Members of the Board had conducted themselves in an ethical manner while executing their duties and functions in compliance with the CEC.

The main principles of the CEC include the following:-

(i) avoid conflict of interest;
(ii) exercise caution and due care to safeguard confidential information;
(iii) avoid insider trading;
(iv) ensure accuracy and reliability of records;
(v) avoid discrimination or prejudice in the workplace; and
(vi) avoid acts of misconduct.

The CEC which is subject to regular review and updates is also made available on the Company's website at www.ttransform.com.my.

In addition, the Company recognises that any genuine commitment of detecting and preventing actual or suspected unethical, unlawful, illegal, wrongful or other improper conduct must include a mechanism whereby employees can report their concerns freely without fear, reprisal or intimidation. Accordingly, the Company has adopted a Whistle Blowing Policy which has been disseminated to all Directors and employees of the Group. The Whistle Blowing Policy is available on the Company's website at www.ttransform.com.my.

(7) Anti-Bribery and Corruption Policy

In line with the MMLR of Bursa Securities in relation to anti-corruption measures, an Anti-Bribery and Corruption Policy has been adopted by the Group which sets out the parameters and guidelines to prevent the occurrence of bribery and corrupt practices and to maintain integrity and work ethics in the conduct of the Group's business and operations. The Anti-Bribery and Corruption Policy provides guidance to all Directors and employees of the Group relating to acts of bribery and corruption.

The Anti-Bribery and Corruption Policy which was adopted on 28 May 2020 is available on the Company's website at www.ttransform.com.my.

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

(8) Sustainability risks and opportunities

The Board together with the Management takes responsibility in managing the sustainability matters of the Group and has established a Sustainability Committee ("SC") which oversees the formulation, implementation and effective management of its sustainability matters and also, ensure that they are in line with its business strategies. The SC is chaired by the Executive Director of Corporate Affairs, Mr Yaw Chun Soon and the members comprises of the Company's two other Executive Directors, Group Chief Executive Officer and key senior management staff. The Executive Directors and Group Chief Executive Officer will update the Board of the key economic, environmental and social risks and opportunities.

In determining the Company's long term strategy and success, the Board ensures that the sustainability strategies, priorities and targets are communicated well to the internal and external stakeholders which is monitored and implemented by the SC to promote and embed a culture of sustainability in its business activities.

In order to communicate these sustainability agenda to the stakeholders, the description of the Company's sustainability path has been outlined in the annual Sustainability Statement which is part of the Company's Annual Report.

To ensure the Board are always kept abreast with sustainability issues and have sufficient understanding of the sustainability matters relevant to the Group and its businesses, the Directors are encouraged to attend sustainability related programmes including conferences, seminars and training. This is to enable the Board to stay abreast and understand the sustainability issues including climate-related risks and opportunities.

The Board recognises the importance of sustainability in all its business operations and has included review of effort to address sustainability matters as a vital criterion during the annual performance evaluation of its board members for the financial year ended 31 March 2022.

The senior management's performance are evaluated by their superiors and the review of their performance include their contribution towards the Company's overall policies (including sustainability).

The Executive Director of Corporate Affairs who is also the Chairman of the SC has been mandated by the Board as the designated person to promote and embed sustainability in the Group. In order to ensure the Group's sustainability, focus areas remain relevant and new ones that could add value to the businesses and new stakeholders to be identified, continuous engagement with relevant internal and external stakeholders are conducted.

(9) Board Meetings and Supply of Information to the Board

Board meetings for subsequent financial year are scheduled in advance before the end of current financial year so as to enable the Directors to plan accordingly and fit the year's Board meetings into their respective schedules. The Board conducted at least 5 regular scheduled meetings annually, with additional meetings convened as and when necessary, to consider all matters relating to the overall control, business performance and strategy of the Company.

In fostering the commitment of the Board, the Directors shall devote sufficient time to carry out their responsibilities, the Directors are required to notify the Chairman before accepting any new directorship and to indicate the time expected to be spent on the new appointment. The Chairman shall also notify the Board if he has any new directorship or significant commitments outside the Company. All the Directors hold not more than 5 directorships in public listed companies.

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

(9) Board Meetings and Supply of Information to the Board (Cont'd)

During the financial year ended 31 March 2022, there were 5 Board meetings held and the attendance record of the Directors were highly satisfactory as evidenced in the table set out below:-

	Directors	Number of meetings attended
1	Tsen Keng Yam (Chairman)	5 out of 5
2	Tan Sri Dato' (Dr) Ir Chan Ah Chye @ Chan Chong Yoon	5 out of 5
3	Dato' Kamaruddin Bin Mat Desa	5 out of 5
4	Datuk Dr Ng Bee Ken	5 out of 5
5	Chua Kim Lan	5 out of 5
6	Yaw Chun Soon	5 out of 5
7	Chan Tet Eu	5 out of 5

All the Directors have complied with the minimum requirements on the attendance at Board meetings held during the financial year ended 31 March 2022 as stipulated in the MMLR of Bursa Securities. In the intervals between Board meetings, for any matters requiring Board's decisions, the Board's approvals are obtained through written resolutions. The resolutions passed by way of such written resolutions are then noted at the next Board meeting.

A full agenda of the meeting and all Board papers are distributed on a timely manner of 5 clear days prior to Board meetings to ensure that the Directors have sufficient time to review and consider the agenda items to be discussed at the meeting and where necessary, to obtain further explanations in order to be fully briefed before the meeting. The Board papers include reports relevant to the issues of the meeting, covering the areas of strategic, financial, operational and regulatory compliance matters.

In discharging their duties, the Directors have access to all information within the Company and to the advice and services of senior management staff and Company Secretary. If necessary, the Directors may seek independent professional advice and information in furtherance of their duties at the Company's expense, so as to ensure the Directors are able to make independent and informed decisions. Any such request is presented to the Board for approval. Senior management staff, as well as advisers and professionals appointed on corporate proposals, may be invited to attend Board meetings to provide the Board with their views and explanations and to furnish clarification on issues that may be raised by the Directors.

The Directors are notified of any corporate announcements released to Bursa Securities. Minutes of each Board meeting were circulated to all Directors in a timely manner before the Board meeting for their perusal prior to confirmation of the minutes at the commencement of the Board meeting. The Directors can then request for clarifications or raise comments before the minutes are tabled for confirmation as a correct record of proceedings of the Board meeting. Apart from the Board minutes, the Chairman of the respective Board Committees will report to the Board on the outcome of the Committee meetings and such reports or minutes will be included in the Board papers.

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

(9) Board Meetings and Supply of Information to the Board (Cont'd)

The Company Secretary plays an important advisory role and is a source of information and advice to the Board and its Committees on issues relating to corporate governance matters, compliance with relevant laws, rules, procedures, regulations, board policies and procedures affecting the Company and Group. The Board is supported by a suitably qualified and competent Company Secretary who is a member of a professional body and registered with a Practicing Certificate from the Companies Commission of Malaysia, and also of a senior position in the Company. The Company Secretary has attended trainings and seminars to constantly keep abreast of relevant statutory and regulatory requirements.

Every Board member has ready and unrestricted access to the advice and services of the Company Secretary who is capable of carrying out the duties and responsibilities, to which the post entails. The roles and responsibilities of the Company Secretary include the following:-

(i) advise the Board and Management on their roles and responsibilities;
(ii) advise the Board and Management on governance issues and assist the Board in applying governance practices to meet the Board's needs and stakeholders' expectation;
(iii) advise and continuously update the Board on corporate disclosures and compliance with listing requirements, company and securities legislations and related regulations;
(iv) attend all Board, Board Committees and general meetings, and ensure the proper recording of minutes of the meetings;
(v) ensure proper upkeep of statutory registers and records;
(vi) assist Chairman in the preparation for and conduct of meetings;
(vii) assist Chairman in determining the annual Board plan and the administration of other strategic issues;
(viii) assist in the induction of new directors, and assist in directors' training and development; and
(ix) serve as a focal point for stakeholders' communication and engagement on corporate governance issues.

(10) Nomination Committee

The Nomination Committee has been formed to assist the Board in ensuring that the Board comprises of Directors with the appropriate mix of skills and experience, as well as to ensure a proper balance between Executive Directors and Independent Non-Executive Directors.

The Nomination Committee currently comprises the following 4 Non-Executive Directors, the majority of whom are Independent Directors:-

Members	Designation
Datuk Dr Ng Bee Ken (Chairman)	Independent Non-Executive Director
Tan Sri Dato' (Dr) Ir Chan Ah Chye @ Chan Chong Yoon	Non-Independent Non-Executive Director
Tsen Keng Yam	Independent Non-Executive Director
Dato' Kamaruddin Bin Mat Desa	Independent Non-Executive Director

Although the Chairman of the Nomination Committee is not the Senior Independent Non-Executive Director, the Board is of the view that the Nomination Committee is able to perform its duties transparently and independently.

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

(10) Nomination Committee (Cont'd)

During the financial year ended 31 March 2022, there were 2 meetings held and were attended by all the members.

The terms of reference of the Nomination Committee is available on the Company's website at www.ttransform.com.my.

During the financial year ended 31 March 2022, the Nomination Committee had conducted assessment of the required mix of skills, experience and other qualities including core competencies which the Non-Executive Directors should bring to the Board and identified areas for improvement. It also conducted an assessment of the Directors / Group Chief Executive Officer and the effectiveness of the Board as a whole, Board Committees and the contribution of each individual Director and the Group Chief Executive Officer, including the Independent Non-Executive Directors.

The Board further agreed with the assessment of the Nomination Committee that the Independent Directors bring independent and objective judgment to the Board and this mitigates risks arising from conflict of interest or undue influence from interested parties. Where there is a likely conflict of interest in any matter under deliberation, he is required to disclose his interest and abstain from participating or discussion on the matter. The Nomination Committee had also reviewed and recommended to the Board, the re-election of Directors of the Company who shall retire at the 97th Annual General Meeting of the Company as well as the retention of the Independent Non-Executive Directors of the Company in accordance with the MCCG.

The concept of independence adopted by the Board is in line with the definition of an Independent Director in Section 1.01 of the MMLR of Bursa Securities and Practice Note 13. The main element for fulfilling the criteria is the appointment of an Independent Director who is not a member of the Management and free from any relationship which could interfere in the exercise of independent judgment or the ability to act in the best interest of the Company. The Nomination Committee and Board have upon their annual assessment, concluded that each of the Independent Non-Executive Directors had demonstrated in conduct and behavior that indicate independence and each of them continues to fulfill the definition of independence as set out in the MCCG and MMLR of Bursa Securities.

The Board evaluation conducted comprised of Directors' Evaluation Form, Board Skills Matrix Form, Board & Board Committee Evaluation Form and Independent Directors' Self-Assessment Checklist. The assessment criteria include contributions to interaction, roles and duties, knowledge and integrity, governance and risk management whilst the criteria for assessing the independence of an Independent Director include the relationship between the Independent Director and the Group, tenure of independence and his involvement in any significant transaction with the Group. The Board Committees are evaluated based on assessment criteria which include the right size and composition, effective recommendation and timely reporting to the Board, expertise, competence, experience and communication skill. All assessments and evaluations carried out by the Nomination Committee in discharging its functions have been properly documented.

The Board studied the results of the evaluation and is generally satisfied with the performance and effectiveness of the Board and Board Committees as well as the individual directors and Group Chief Executive Officer, the size of the Board, composition as well as the mix of skill sets, core competencies and the independence of its Independent Non-Executive Directors.

(11) Appointment to the Board

The Board is responsible for the appointment of new Directors (including the Group Chief Executive Officer) while the Nomination Committee is delegated with the role of screening and conducting initial selection before making recommendations to the Board of suitable candidates for appointment as Director/Group Chief Executive Officer, after which the Company Secretary ensures that all appointments are properly made and all legal and regulatory compliance are met.

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

(11) Appointment to the Board (Cont'd)

In making these recommendations, the Nomination Committee considers, inter-alia, their skills, knowledge, expertise and experience, professionalism, integrity, commitment (including time commitment) and diversity including gender, ethnic, age and race, where appropriate, which the Director/Group Chief Executive Officer should bring to the Board. In the case of candidates proposed for appointment as Independent Non-Executive Director, the Nomination Committee will evaluate their ability to discharge such responsibilities/functions as expected from an independent director. This is consistent with the Group's practice of being an equal opportunity employer where all appointments and employments are based strictly on merit and are not driven by any racial or gender bias.

There was no new appointment of Directors during the financial year.

The Board would consider using independent sources in identifying suitable candidates for appointment of directors in the future such as directors' recruitment agencies.

(12) Re-election of Directors

In accordance with the Constitution of the Company, all Directors who are newly appointed to the Board, are subject to re-election by shareholders subsequent to their appointment at the immediate AGM. The Constitution also provides that at least 1/3 of the Directors shall retire from office and be eligible for re-election at every AGM. All Directors shall submit themselves for re-election at least once every 3 years.

The Nomination Committee carries out annual assessment of each Director's contribution to the Company and recommends the Directors who will be subject to re-election at the next AGM, to the Board and shareholders for approval. The Board and Nomination Committee were satisfied with their performance evaluation base on their meetings' attendance, active participation and positive contribution during deliberations or discussions at Board meetings, competency, capability and understanding of their roles and responsibilities. Hence, the Nomination Committee had recommended Tan Sri Dato' (Dr) Ir Chan Ah Chye @ Chan Chong Yoon and Ms Chua Kim Lan to retire by rotation at the forthcoming 97th AGM of the Company pursuant to the Constitution of the Company and being eligible, have offered themselves for re-election.

The re-election of each Director is voted on separately. To assist shareholders in their decision, sufficient information, such as personal profile, meetings' attendance and the shareholding of the Director standing for re-election, are furnished in this Annual Report.

(13) Directors' Training and Continuing Education Programme

All the Directors have attended the Mandatory Accreditation Programme prescribed by Bursa Securities. The Company is aware of the importance of continuous training for its Directors to enable them to effectively discharge their duties and sustain active participation in the Board deliberations and will continuously evaluate and determine the training needs of its Directors. Accordingly, the Company organises at least 1 in-house training every year for the Directors to ensure they are kept up-to-date on the relevant developments in the market place.

The Directors are also aware of their duty to continuously update their knowledge and enhance their skills through appropriate continuing education programmes. They are provided with the opportunity, and are encouraged, to attend training to keep themselves updated on relevant new legislation, financial reporting requirements, best practices and changing commercial and other risks.

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

(13) Directors' Training and Continuing Education Programme (Cont'd)

During the financial year, all Directors have attended the following seminar organised by Bursa Securities and external professionals as follows:-

Directors	Training Programmes/Seminars/Forums
Tsen Keng Yam (Chairman)	• AOB Conversation with Audit Committees • In–house Seminar Entitled "Horticulture Empowerment & Melon Project"
Tan Sri Dato' (Dr) Ir Chan Ah Chye @ Chan Chong Yoon	• In–house Seminar Entitled "Horticulture Empowerment & Melon Project"
Dato' Kamaruddin Bin Mat Desa	• In–house Seminar Entitled "Horticulture Empowerment & Melon Project"
Datuk Dr Ng Bee Ken	• In–house Seminar Entitled "Horticulture Empowerment & Melon Project"
Chua Kim Lan	• Sustainability Reporting Workshops: Scope & Materiality in Sustainability Reporting conducted for Bursa Malaysia Berhad by Safety, Health & Environmental Management Services International Sdn Bhd Malaysia • In–house Seminar Entitled "Horticulture Empowerment & Melon Project"
Yaw Chun Soon	• Sustainability Reporting Workshops: Scope & Materiality in Sustainability Reporting conducted for Bursa Malaysia Berhad by Safety, Health & Environmental Management Services International Sdn Bhd Malaysia • Webinar on "Task Force on Climate-related Financial Disclosures Training Programme" • In–house Seminar Entitled "Horticulture Empowerment & Melon Project"
Chan Tet Eu	• In–house Seminar Entitled "Horticulture Empowerment & Melon Project"

The Company Secretary has also circulated the relevant guidelines on statutory and regulatory requirements to the Board for reference. The external auditors have also briefed the Audit and Board members on the changes to the Malaysian Financial Reporting Standards that affect the Company's financial statements during the financial year in order to assist the Board to keep abreast of such developments.

(14) Directors' Remuneration Policies and Procedures

The Company has in place a remuneration policy for Directors that fairly supports the Directors' responsibilities and fiduciary duties in steering the Group to achieve its long term objectives and enhance shareholders' value. The Board's objective in this respect is to offer a competitive remuneration package in order to attract, develop and retain directors of high calibre to provide the necessary skills and experience to commensurate with the responsibilities of an effective Board. The Remuneration Committee is primarily responsible for recommending the remuneration policy and reward framework for the Executive Directors and Group Chief Executive Officer which are aligned with the business strategy and long term objectives of the Company and also fairly guided by market norms and industry practices, to the Board for approval. The Remuneration Committee also recommends the Executive Directors' and Group Chief Executive Officer's remuneration and benefits based on their individual performance and that of the Group to the Board for approval.

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

(14) Directors' Remuneration Policies and Procedures (Cont'd)

The Remuneration Committee carries out annual review of the Executive Directors' and Group Chief Executive Officer's remuneration packages whereupon the recommendation will be submitted to the Board for approval. Such annual review shall ensure that the remuneration packages for the Executive Directors remain sufficiently attractive to attract and retain them.

The remuneration packages for the Executive Directors and Group Chief Executive Officer should involve a balance between fixed and performance-linked elements. The relative weightage of fixed and variable remuneration for target performance varies with level of responsibility, complexity of the role and typical market practice. The executive remuneration should be set at a competitive level for similar roles within comparable markets to recruit and retain high quality senior executives. Individual pay levels should reflect the performance, skills and experience of the Directors and Group Chief Executive Officer as well as responsibility undertaken and is structured so as to link the short and long-term rewards to both corporate and individual performance.

The determination of the remuneration package for the Non-Executive Directors is a matter for the Board as a whole following the relevant recommendation made by the Remuneration Committee, with the Director concerned abstaining from deliberation and voting on his own remuneration. The remuneration of the Non-Executive Directors comprises of director's fee, fixed monthly allowance and meeting allowance which are determined by the Board. The remuneration of the Non-Executive Directors reflects the contribution, time commitment, level of responsibilities undertaken by the particular Non-Executive Director and trends for similar positions in the market.

The Remuneration Committee comprises the following 3 Non-Executive Directors, all of whom are Independent Directors:-

Members	Designation
Dato' Kamaruddin Bin Mat Desa (Chairman)	Independent Non-Executive Director
Tsen Keng Yam	Independent Non-Executive Director
Datuk Dr Ng Bee Ken	Independent Non-Executive Director

During the financial year ended 31 March 2022, there were 2 meetings held and were attended by all the members.

The terms of reference of the Remuneration Committee is available on the Company's website at www.ttransform.com.my.

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

(14) Directors' Remuneration Policies and Procedures (Cont'd)

Details of the remuneration received by each Director of the Company during the financial year ended 31 March 2022 are set out below:-

	Fees (RM)	Salaries (RM)	Allowance (RM)	Benefits in kind (RM)[1]	Defined Contribution (RM)[2]	Other emoluments (RM)[3]	Total (RM)
Executive							
Chua Kim Lan	25,000	228,000	-	17,400	27,360	1,423	299,183
Yaw Chun Soon	25,000	228,000	-	4,800	27,360	1,423	286,583
Chan Tet Eu	25,000	90,000	-	-	10,800	1,423	127,223
Non-Executive							
Tsen Keng Yam	25,000	-	75,500	-	-	500	101,000
Tan Sri Dato' (Dr) Ir Chan Ah Chye @ Chan Chong Yoon	25,000	-	51,500	-	-	500	77,000
Dato' Kamaruddin Bin Mat Desa	25,000	-	51,000	-	-	500	76,500
Datuk Dr Ng Bee Ken	25,000	-	51,500	-	-	500	77,000
Total	**175,000**	**546,000**	**229,500**	**22,200**	**65,520**	**6,269**	**1,044,489**

Notes:

[1] Benefits-in-kind comprises of car allowance.

[2] Defined contribution comprises of employees' provident fund.

[3] Other emoluments comprise of ex-gratia payment, employee social security organisation ("SOCSO") and employment insurance system ("EIS").

The Remuneration Committee had carried out the following activities during the financial year:-

(i) reviewed and recommended the Directors' fees for the financial year ended 31 March 2022.

(ii) reviewed and recommended the payment of the Non-Executive Directors' remuneration (excluding Directors' fees) from 23 September 2022 until the next Annual General Meeting of the Company to be held in the year 2023.

(iii) reviewed the remuneration framework for the Executive Directors and Group Chief Executive Officer.

(iv) reviewed the Executive Directors' and Group Chief Executive Officer's remuneration package for the financial year 2023.

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

(15) EXECUTIVE COMMITTEE

The Executive Committee comprises of the Group Chief Executive Officer, Executive Directors and senior management staff of the Group. The Executive Committee supports the Board in the operations of the Group and assists in the implementation of operational matters of the Group. The Executive Committee meets every month to review the performance of the Group's operating divisions/departments. During the financial year ended 31 March 2022, there were 8 meetings held and details of the members and their attendance are as follows:-

Members	Designation	Number of meetings attended
Dato' Mohamad Razali Bin Mohamad Rahim (Chairman)	Group Chief Executive Officer	6 out of 8
Yaw Chun Soon	Executive Director	8 out of 8
Chua Kim Lan	Executive Director	8 out of 8
Chan Tet Eu	Executive Director	8 out of 8
Tan Bak Hai	Senior Vice President I (Sales & Marketing)	8 out of 8
Soo Kah Pik	Chief Financial Officer	8 out of 8
Lim Lay Hong (ceased as a Member on 23 November 2021)	Vice President (PAALM & Business Development)	4 out of 4
Ng Giak Lian	Deputy Vice President (Finance)	8 out of 8

The terms of reference of the Executive Committee is available at the Company's website at www.ttransform.com.my.

(16) REMUNERATION POLICY FOR EMPLOYEES

The Remuneration Policy for Employees shall enable the furtherance of the Group's vision and mission. Remuneration to the employees of the Group shall be used to align individual performance with the Group's short and long term goals. Employee remunerations shall be supported by a robust performance management system underpinned by the fundamentals of sound risk management, ethics and corporate responsibility. This policy will be reviewed periodically by the Remuneration Committee and shall apply to all levels and segments of employees within the Group including the senior management.

Details of the remuneration of the top 5 senior management staff of the Company (including salary, benefits in-kind, ex-gratia and other emoluments) during the financial year ended 31 March 2022 are disclosed on an aggregate basis and in each successive band of RM50,000 as follows:-

Range of Remuneration	Number of Top 5 senior management staff
RM50,000 to RM100,000	2
RM100,001 to RM150,000	2
RM350,000 to RM400,000	1
TOTAL	**5**

Note: Sucessive bands of RM50,000 are not shown entrirely as they are not represented

The Company chose not to disclose the remuneration of the individual senior management staff on named basis as the Company believes that this information will not add significantly to the understanding and evaluation of the Company's governance, and may also pose security risks. The transparency and accountability aspects of corporate governance applicable to the remuneration of these staff are deemed appropriately served by the above disclosures.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

(1) AUDIT COMMITTEE

The Audit Committee comprises 3 Non-Executive Directors, all of whom are Independent Directors, which complies with Paragraph 15.09(1)(c) of the MMLR of Bursa Securities whereby the Audit Committee shall only consist of Non-Executive Directors and majority of whom are Independent Non-Executive Directors. In line with Step-Up Practice 9.4 of the MCCG, the Audit Committee comprises solely of Independent Non-Executive Directors.

The Audit Committee supports the Board with matters relating to the Group's financial reporting, audit, risk management and internal control. All members of the Audit Committee are financially literate and are able to understand matters under the purview of the Audit Committee including financial reporting process to effectively discharge their duties. They have been briefed by our external auditors of the latest accounting and audit standards applicable to the Group to keep themselves abreast of the relevant accounting developments and during the financial year, they have also attended the seminars entitled "AOB Conversation with Audit Committees" and "Horticulture Empowerment & Melon Project".

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

(1) AUDIT COMMITTEE (CONT'D)

The Audit Committee is chaired by Mr Tsen Keng Yam while the other members are Dato' Kamaruddin Bin Mat Desa and Datuk Dr Ng Bee Ken. The Board noted that the Chairmanship of both the Audit Committee and Board are assumed by the same person, Mr Tsen Keng Yam. However, it is of the view that Mr Tsen is suitable to hold both positions as he can still bring objective judgment during the Board meetings with regards to the findings and recommendations made by the Audit Committee. Furthermore, he possesses the relevant experience and qualification such as being a member of the Malaysian Institute of Accountants, to ensure an efficient conduct of the Board and Audit Committee's functions and meetings.

The composition, attendance of meetings and summary of the activities carried out by the Audit Committee during the financial year are disclosed in the Audit Committee Report on pages 61 to 62 of this Annual Report. The activities of the Audit Committee are governed by the terms of reference that is approved by the Board.

The Audit Committee meets no fewer than 5 times a year. During the financial year ended 31 March 2022, a total of 5 Audit Committee meetings were held.

The Audit Committee meeting is always held before the Board's meeting. This is to ensure that all critical issues highlighted can be brought to the attention of the Board on a timely basis. The Chairman of the Audit Committee will report to the Board on the outcome of the Audit Committee meeting and for action by the Board where appropriate.

The Audit Committee meets with the Group's external auditors to review the scope and adequacy of the audit processes, the annual financial statements and their audit findings. In line with the good corporate governance practices, the Audit Committee also meets with the external auditors at least twice a year in the absence of Executive Board members and Management, to discuss audit plans, audit findings and the financial statements of the Company. The Audit Committee also meets with the external auditors whenever it deems necessary.

The Company has adopted the policy that requires a former key audit partner to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee and this has been incorporated into the terms of reference of the Audit Committee. The terms of reference of the Audit Committee is available on the Company's website at www.ttransform.com.my.

(2) EXTERNAL AUDITORS

Through the Audit Committee, the Board has a direct relationship with the external auditors. The external auditors were invited and have also attended all the Audit Committee meetings of the Company during the financial year.

On an annual basis, the Audit Committee will review the suitability and independence of the existing external auditors which had been with the Company for 14 years based on the External Auditors Performance and Independence Checklist's criteria such as their calibre, quality of services, sufficiency of resources, communication and interaction, independence, objectivity and audit fees. The Audit Committee will also review and approve the provision of non-audit services by the external auditors and noted that for the financial year ended 31 March 2022, the non-audit fees incurred by the Group and Company amounted to RM16,000 each respectively.

The Audit Committee had obtained written assurance from the external auditors confirming that they were, and had been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The Audit Committee and the Board is satisfied with the performance, competence and independence of the external auditors and the Board had recommended the re-appointment of the external auditors to the shareholders at the 97th AGM. The external auditors are invited to attend all annual general meetings of the Company so that they are available to answer shareholders' questions on matters with regard to the audit, its preparation and content of the audit report.

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

(3) RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges that risk management is an integral part of the Group business operations. It is an ongoing process which involves different levels of management to identify, evaluate, monitor, manage and mitigate the risks that may affect the achievement of the Group's business and corporate objectives.

The Board has the overall responsibility for the Group's system of internal control and for reviewing its adequacy and integrity. There is an on-going process for the Board to identify, evaluate and manage significant risks faced by the Group on a regular basis for the financial period under review. The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve the business objectives of the Group. In pursuing these objectives, internal control can only provide reasonable and not absolute assurance against material misstatement or loss. The system of internal control incorporates, inter alia, risk management, financial, operational and compliance controls as well as the governance process.

The Company has established the Risk Management Committee ("RMC") which is tasked to develop and maintain an effective risk management system for the Group. It reviews matters such as responses to significant risks identified, changes to internal control system and output from monitoring processes. The RMC reports to the Audit Committee, which dedicates separate time for discussion of this subject. Significant issues related to risk management and internal controls are highlighted to the Board.

The RMC comprises the following members:-

Members	Designation
Yaw Chun Soon (Chairman)	Executive Director
Chua Kim Lan	Executive Director
Tan Bak Hai	Senior Vice President I (Sales & Marketing)
Soo Kah Pik	Chief Financial Officer
Ng Giak Lian	Deputy Vice President (Finance)

The Statement on Risk Management and Internal Control which provides an overview of the state of risk management, framework, internal control and processes within the Group are set out on pages 59 to 60 of this Annual Report.

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

(4) INTERNAL AUDIT FUNCTION

The Board has an overall responsibility for maintaining a sound system of internal controls to safeguard the Group's assets and shareholders' investment. As the system of internal controls is designed to mitigate rather than eliminate the likelihood of errors or fraud, the system can only provide reasonable assurance against material misstatement or loss.

The Group has established an in-house Internal Audit Department which performs regular reviews of business processes, appraisal on the effectiveness of governance, risk management and internal controls processes and reports regularly to the Audit Committee. The internal audit engagement is focused on areas of priority according to their risk assessment and in accordance with the annual audit plans approved by the Audit Committee. The Internal Audit Department also reviews the nature of related party transactions within the Group to ascertain any conflict of interest situations that would raise question of management integrity. The result of this review is tabled at the Audit Committee meeting and thereafter, is reported to the Board. Details of these related party transactions are disclosed in the Notes to the Financial Statements on page 135 of this Annual Report.

The Head of Internal Audit reports independently to the Audit Committee. The Audit Committee reviews and approves the internal audit plan on an annual basis. The Head of Internal Audit provided reports on key findings and progress on areas audited to the Audit Committee.

During the financial year, the Internal Audit Department has issued internal audit reports to the Audit Committee and the Management with regards to audit findings on the weaknesses in the system and controls of the operations. Areas of improvement were highlighted and implemented by the Management.

The activities of the internal auditors during the financial year are set out in the Audit Committee Report on pages 61 to 62 of this Annual Report.

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

(1) CORPORATE REPORTING

The Board is responsible to ensure that the annual audited financial statements and quarterly announcements of financial results of TTB Group presents a fair, balanced and meaningful assessment of the Group's financial position, performance and prospects. The Board ensures that the Group's financial statements are drawn up in accordance with the provisions of the Companies Act 2016 and the applicable approved accounting standards in Malaysia.

The Board is assisted by the Audit Committee to oversee the financial reporting processes and the quality of the financial reporting by TTB Group. The Audit Committee reviews and scrutinise the information of the Group's annual and quarterly financial statements in terms of the overall accuracy, adequacy and completeness of disclosure and ensuring the Group's financial statements comply with applicable financial reporting standards.

The Statement of Directors' Responsibility in respect of the preparation of the annual audited financial statements of TTB and its Group is set out on page 63 of this Annual Report.

(2) EFFECTIVE COMMUNICATIONS WITH STAKEHOLDERS

The Board is aware of the need to establish corporate disclosure policies and procedures to enable a comprehensive, accurate and timely disclosures relating to the Company, to the regulators, shareholders and stakeholders. The Company has identified the personnel authorised and responsible to approve and disclose material information to shareholders and stakeholders to ensure compliance with the MMLR of Bursa Securities based on the resolutions passed by the Board. The Board has delegated the authority to the Executive Directors to approve all announcements for release to Bursa Securities. The Executive Directors work closely with the Board, senior management and the Company Secretary who are privy to the information to maintain strict confidentiality of the information.

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

(2) EFFECTIVE COMMUNICATIONS WITH STAKEHOLDERS (CONT'D)

The Company continues to recognise the importance of transparency and accountability to its shareholders which are the key elements of good corporate governance. The Board ensures that shareholders are informed of the financial performance and major developments in the Group. Such information is communicated to shareholders by timely release of quarterly financial results, circulars, annual reports, announcements and press releases.

Apart from the mandatory announcements through Bursa Securities, the Company also maintains a website at www.ttransform.com.my to which shareholders and investors can have access to information on the operations and business activities of the Group.

The Board also recognises the importance of establishing a direct line of communication with shareholders and investors through timely dissemination of information on the Group and Company's performance and major developments via appropriate channels of communications. Dissemination of information includes the distribution of Annual Report and relevant circulars, material information by way of announcements, issuance of quarterly financial results of the Group to Bursa Securities and the public as well as through press conferences. Efforts have also been taken to enhance the contents of the Annual Report in line with the MCCG and MMLR. In addition, stakeholders who wish to reach the Group or Company can do so through the "Contact Us" page in our website. The Group believes that by consistently maintaining a high level of disclosure and extensive communication with its shareholders, the shareholders and investors will be able to make informed investment decision.

The AGM is another principal forum for communication and dialogue with shareholders whereby they can question or seek clarification pertaining to the business activities of the Group and Company from the Board and Management. Besides the usual agenda for the AGM, the Board presents the progress and performance of the business and finances as well as provide some input on what the business and property market outlook would be like including the responses to questions raised by the Minority Shareholder Watch Group ("MSWG") in relation to the strategy and financial performance of the Group and corporate governance issues which were submitted by MSWG prior to the AGM. Members of the Board, Chairmen of the Audit Committee, Nomination Committee, Remuneration Committee, Executive Committee and Risk Management Committee as well as the external auditors of the Company are present to provide responses to questions from the shareholders during these meetings. Shareholders' suggestions received during the AGMs are reviewed and considered for implementation wherever relevant.

A press release is normally held after each AGM and/or general meetings of the Company to provide the media an opportunity to receive an update from the Board on the proceedings at the meetings, the Group's business progress and development, and to address any queries or areas of interest.

(3) SHAREHOLDERS' CONDUCT AND PARTICIPATION AT GENERAL MEETINGS

General meetings are an important avenue through which the shareholders can exercise their rights. The Board would ensure suitability of venue and timing of meeting to encourage shareholders' participation in the meetings.

The Company provides information to the shareholders with regards to, amongst others, details of the AGM, their entitlements to attend the AGM, the right to appoint proxy and also, the qualifications of a proxy via its Annual Report which contains the Notice of AGM. The Notice of AGM which sets out the business to be transacted at the AGM is also published in a major local newspaper. Items of special business included in the Notice of AGM will be accompanied by an explanation of the proposed resolutions. The notices of meetings and the annual reports are sent out to shareholders at least 21 days before the date of the meetings in accordance with the Constitution of the Company. However, in line with the recommendation of the MCCG, the notice period for the Company's 97th AGM is more than 28 days to allow shareholders sufficient time to make the necessary arrangements to attend and participate in person or by proxies.

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

(3) SHAREHOLDERS' CONDUCT AND PARTICIPATION AT GENERAL MEETINGS (CONT'D)

Due to the COVID-19 pandemic and implementation of various phases of Movement Control Order by the Malaysian Government during the financial year ended 31 March 2022, the Company's 96th AGM in year 2021 was conducted on a fully virtual basis to facilitate communication and engagements with the shareholders. This enabled shareholders to participate remotely via live streaming and online remote voting an all resolutions tabled at the AGM of the Company. The shareholders were given opportunities to raise questions and feedback on their views on issues affecting the Company and to vote in the AGM remotely. The questions posed by the shareholders were made visible to all participants during the AGM and they were answered by the Executive Directors on the spot during the AGM.

Pursuant to Paragraph 8.29A of the MMLR of Bursa Securities, all resolutions set out in the notice of any general meetings shall be voted by poll. At the Company's 96th AGM held on 29 September 2021 which was conducted on a fully virtual basis, the Company had leveraged on technology to facilitate remote shareholders' participation and electronic voting for the conduct of poll on all the resolutions. It was streamed live where the eligible shareholders or the appointed proxies or authorised representatives were able to log in to remotely participate and submit their votes online. An independent scrutineer was appointed to validate the votes casted and the results of each resolution put to vote were announced at the AGM. The poll results which were confirmed by the Chairman, were instantaneously displayed on-screen which were seen by shareholders who joined the meeting via electronic means. An announcement detailing the poll results, including the total number of votes cast for and against each resolution and the respective percentage were announced to Bursa Securities on the same after the conclusion of the AGM.

The Minutes of the 96th AGM with the notation on the proceedings, issues and concerns raised by the shareholders, and the responses made by the Company were made available on the Company's website at www.ttransform.com.my within 30 business days after the conclusion of the 96th AGM, so as to provide useful information to shareholders and investors especially for the shareholders who were absent from the AGM.

This Statement is made in accordance with a resolution of the Board of Directors dated 14 July 2022.

ADDITIONAL COMPLIANCE INFORMATION
31 MARCH 2022

1. UTILISATION OF PROCEEDS

The Company did not raise funds through any corporate proposal during the financial year ended 31 March 2022.

2. AUDIT AND NON-AUDIT FEES OF TTB GROUP

During the financial year, the amount of audit and non-audit fees paid to the external auditors of the Group and of the Company are as tabulated below:-

	Group (RM'000)	Company (RM'000)
Audit fees	397	204
Non-audit fees	16	16

3. MATERIAL CONTRACTS

During the financial year, there were no material contracts entered into by the Company and its subsidiaries involving the interests of its Directors, Group Chief Executive Officer or Major Shareholders, either still subsisting at the end of the financial year or entered into since the end of the previous financial year.

4. MATERIAL CONTRACTS RELATING TO LOANS

During the financial year, there were no material contracts relating to loans entered into by the Company and its subsidiaries involving the interests of its Directors, Group Chief Executive Officer or Major Shareholders, either still subsisting at the end of the financial year or entered into since the end of the previous financial year.

5. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

Details of the recurrent related party transactions made during the financial year ended 31 March 2022 pursuant to the shareholders' mandate obtained by the Company at the Annual General Meeting held on 29 September 2021 are as follows:-

Nature of transactions undertaken by Talam Transform Berhad ("TTB") and/or its subsidiaries	Transacting Company	Amount Transacted (RM'000)	Interested Related Party
(A) Procurement of construction contract from Wonderful Insights Sdn Bhd ("WISB")			
L.C.B. Management Sdn Bhd	WISB	16,199	Yaw Chun Soon ("YCS") & Chua Kim Lan ("CKL") (Note 1)

NOTES:-

1. YCS is a Director and Shareholder of TTB. YCS is also a Director and Substantial Shareholder of WISB.

   CKL is a Director and Shareholder of TTB. Her spouse, Chin Chee Meng is a Substantial Shareholder of WISB.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors ("Board"), guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Public Listed Companies, is pleased to provide the following statement pursuant to Paragraph 15.26 (b) of the Bursa Malaysia Securities Berhad's Main Market Listing Requirements ("Bursa Securities MMLR") which outlines the key elements of risk management and internal control system within the Group for the financial year ended 31 March 2022.

RESPONSIBILITY

The Board recognises its responsibility for the Group's system of internal control and for reviewing its adequacy and integrity. There is an on-going process for the Board to identify, evaluate and manage significant risks faced by the Group on a regular basis for the financial year under review. The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve the business objectives of the Group. In pursuing these objectives, internal control can only provide reasonable and not absolute assurance against material misstatement or loss. The system of internal control incorporates, inter alia, risk management, financial, operational and compliance controls as well as the governance process.

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board has established an organisational structure with clearly defined lines of accountability and delegated authority. It has extended the responsibilities of the Audit Committee to include the work of reviewing the adequacy and the integrity of the system of internal control, with the assistance of the internal audit function.

The Group has put in place a Risk Management Committee ("RMC"), which is chaired by the Group's Executive Director, and includes participation from representatives from all the departments including the Internal Audit Department. Each department's risk management function is led by the respective head of department. The RMC is tasked to develop and maintain an effective risk management system for the Group. It reviews matters such as responses to significant risks identified, changes to internal control system and output from monitoring processes. It reports to the Audit Committee, which dedicates separate time for discussion on this subject.

The risk management framework encompasses the Group's subsidiaries, jointly controlled entities and associated companies.

RISK MANAGEMENT PROCESS

The Group maintains a database of key risks specific to the Group together with their corresponding controls which are categorised, amongst others, as follows:-

- Strategic Risk - risks which affect the overall direction of the business
- Internal Business Risk - risks that have an impact on the delivery of the Group's products and services which includes development activities
- External Risk - risks associated with market conditions
- Financial Risk - risks associated with loans exposure and interest rates

The respective departments identify emerging risks on an ongoing basis. The risks are then consolidated into the database. The database which contains identified emerging risks and existing risks represents the Group risk profile.

Annually, all departments of the Group undertake to input their identified emerging risks and update their existing risks into the database. Such updates will also require the respective department heads to review existing controls and if needed, to propose additional controls to mitigate the identified risks.

The updated Group risk profile is then presented to the Executive Committee ("EXCO") for further assessment. The EXCO will review and re-assess the identified risks including the corresponding controls identified by the respective department heads. The EXCO may vary the risks assessment by the respective departments and may propose further controls to be put in place to further mitigate the identified risks. These processes were facilitated by the RMC.

Upon completion of the review by the EXCO, the RMC then prepares the risk management report summarizing the Group's identified high risks and moderate risks together with existing controls and proposed controls which are then presented to the Audit Committee for review and deliberation for recommendation and endorsement by the Board.

INTERNAL CONTROL PROCESS

Key elements of the Group's system of internal control are as follows:-

- Regular review of business processes to assess the effectiveness of internal controls and reports are made regularly to the Audit Committee.
- Review of operational organisation structure with defined lines of responsibilities and delegation of authority. A process of hierarchical reporting has been established, which provides for a documented and auditable trail of accountability.
- Regular Management Committee and EXCO meetings are convened to discuss the Group's operations and performance. The meetings enable the regular monitoring of results against budget, with significant variance explained and appropriate action taken.
- Defined limits of authority for various transactions, including purchasing and payments.
- Standing Instructions and Standard Operating Procedures of all departments are regularly reviewed and updated to ensure effective management of the Group's operations.
- Monitoring of financial results by the Audit Committee and the Board every quarter through quarterly management reports presented that provides financial information as well as information of significant changes in accounting standards and reporting.
- Review of the risk database and its corresponding controls.

INTERNAL AUDIT FUNCTION

The Group's Internal Audit Department reports independently to the Audit Committee. The Audit Committee reviews and approves the internal audit plan, which was developed based on the finalised key risk profile of the Group, on an annual basis. The Internal Audit Department provided reports on key findings and progress of areas audited to the Audit Committee on a regular basis.

All recommendations to improve internal controls were acted upon by the Management. Proposed corrective and preventive measures have been implemented by the Management to rectify the identified shortcomings.

REVIEW BY THE EXTERNAL AUDITORS

As required by paragraph 15.23 of Bursa Securities MMLR, the external auditors have conducted a limited assurance review on this Statement on Risk Management and Internal Control for inclusion in this Annual Report. Their limited assurance engagement was performed in accordance with ISAE3000 (Revised 2015), Assurance Engagement other than Audits or Review of Historical Financial Information and Audit and Assurance Practice Guide ("AAPG") 3 and Guidance for Auditors on the Review of Directors' Statement on Internal Control.

Based on their procedures performed, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that this statement is not prepared, in all material aspects, in accordance with the disclosure required by paragraphs 41 and 42 of the Statement of Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is factually inaccurate. AAPG3 does not require the external auditors to consider whether this statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk and control system.

CONCLUSION

The risk management processes and internal control system of the Group have been reviewed and found to be operating adequately and the Board has received such assurances from the Executive Directors and the Chief Financial Officer.

The processes as outlined on this statement have been in place for the year under review and up to the date of approval of this statement.

The Board is of the opinion that there are no significant weaknesses in the system of internal control during the financial year. The Board and the Management will continue to take measures to strengthen the internal control environment to safeguard shareholders' investment and the Group's assets.

This Statement was approved by the Board of Directors of the Company on 14 July 2022.

AUDIT COMMITTEE REPORT

COMPOSITION OF THE AUDIT COMMITTEE

The Audit Committee comprises the following members:-

Members of the Committee	Designation
1. Tsen Keng Yam (Chairman)	Independent Non-Executive Director
2. Dato' Kamaruddin Bin Mat Desa	Independent Non-Executive Director
3. Datuk Dr Ng Bee Ken	Independent Non-Executive Director

The terms of reference of the Audit Committee is available on the Company's website at www.ttransform.com.my.

ATTENDANCE AT AUDIT COMMITTEE MEETINGS

During the financial year ended 31 March 2022, there were 5 Audit Committee meetings held and the number of meetings attended by each Audit Committee member are as follows:-

Audit Committee Member	Number of meetings attended
1. Tsen Keng Yam	5 out of 5
2. Dato' Kamaruddin Bin Mat Desa	5 out of 5
3. Datuk Dr Ng Bee Ken	5 out of 5

The Chief Financial Officer and the Head of Internal Audit would normally attend all Audit Committee meetings at the invitation of the Audit Committee.

SUMMARY OF AUDIT COMMITTEE ACTIVITIES

During the financial year ended 31 March 2022, the Audit Committee carried out its duties, amongst others, in accordance with its terms of reference, as follows:-

(i) Reviewed the quarterly financial results prior to recommending them for consideration and approval by the Board of Directors;
(ii) Reviewed and discussed with the external auditors the audit planning memorandum before commencement of the annual audit;
(iii) Reviewed and discussed with the external auditors on their findings during the course of their audit and the Management's response;
(iv) Evaluated the performance of the external auditors and made recommendations to the Board on their reappointment and audit fee;
(v) Reviewed the annual financial statements and recommend for approval by the Board of Directors;
(vi) Reviewed and deliberated the recurrent related party transactions;
(vii) Reviewed and approved the internal audit plan;
(viii) Reviewed and deliberated the internal audit reports; and
(ix) Reviewed the Risk Management Committee's reports and assessment.

The reviews and deliberations were conducted during the 5 meetings of the Audit Committee held during the financial year ended 31 March 2022.

TRAINING

During the financial year, all the Audit Committee members attended the relevant training to assist them in discharging their duties effectively. They were also briefed by the external auditors of the latest accounting and audit standards applicable to the Group.

INTERNAL AUDIT FUNCTION

The Audit Committee is supported in its duties by an in-house internal audit function. The Committee is aware of the fact that the internal audit function is essential to assist in obtaining the assurance and consulting services it requires, regarding the effectiveness of the system of internal control in the Group. Total staff cost incurred in respect of the internal audit function during the financial year ended 31 March 2022 was RM97,090.43.

A summary of the internal audit cost distribution is as follows:-

Cost category	% of total cost
Manpower	99.34
Training (in-house)	–
Overheads	negligible

During the financial year, the following main internal audit activities were carried out:-

(i) Conducted internal audit in accordance with the risk based/driven internal audit plan. 4 routine audits and 1 special audit were carried out during the financial year. The areas reviewed by the Internal Audit Department were the Human Resource Department's record of staff recruitment, transfer and termination, Finance Department's disbursement of transactions, Complex Department's rental receivable status and the Group's insurance policies;

(ii) Reviewed the internal control procedures as stipulated in the Group's Standing Instructions and Standard Operating Procedures. During the same period, Standing Instructions and Standard Operating Procedures of the departments were being jointly reviewed and updated, and practical internal control procedures were incorporated;

(iii) Reviewed the recurrent related party transactions of the Company and its Group; and

(iv) Attended the Management Committee and Risk Management Committee meetings.

All internal audit reports, which were deliberated by the Audit Committee and recommended to the Board of Directors and/or the Management, were acted upon.

STATEMENT OF DIRECTORS' RESPONSIBILITY FOR
PREPARING THE FINANCIAL STATEMENTS

The Directors are required by the Companies Act 2016 ("the Act") to prepare financial statements for each financial year in accordance with the provisions of the Act and applicable approved accounting standards to give a true and fair view of the state of affairs of the Group and the Company at the end of the financial year and of their results and cash flows for the financial year then ended. Where there are new accounting standards or policies that become effective during the year, the impact of these new treatments would be stated in the notes to the financial statements accordingly.

In preparing the financial statements for the financial year ended 31 March 2022, the Directors have:-

(1) adopted appropriate accounting policies which were consistently applied;
(2) made judgments and estimates that are reasonable and prudent;
(3) ensure that all applicable approved accounting standards have been followed; and
(4) prepared the financial statements on a going concern basis.

The Directors are responsible for ensuring that the Company keeps accounting records, which discloses with reasonable accuracy the financial position of the Group and the Company and comply with the provisions of the Act. The Directors are also responsible for taking reasonable steps to safeguard the assets of the Group and Company and to prevent and detect material fraud and other irregularities.

FINANCIAL STATEMENTS

The directors hereby submit their report together with the audited financial statements of Talam Transform Berhad ("the Company") and its subsidiaries ("the Group") for the financial year ended 31 March 2022.

PRINCIPAL ACTIVITIES

The principal activities of the Company during the financial year are that of the provision of management services, investment holding and property development.

The principal activities of the subsidiaries of the Company are stated in Note 30 to the financial statements.

There were no significant changes in the nature of these principal activities during the financial year.

RESULTS

	GROUP RM'000	COMPANY RM'000
(Loss)/profit for the financial year	(4,946)	44,539
Attributable to:		
Owners of the Company	(4,843)	44,539
Non-controlling interests	(103)	-
	(4,946)	44,539

DIVIDENDS

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

The directors do not recommend the payment of any dividends in respect of the financial year ended 31 March 2022.

RESERVES AND PROVISIONS

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

BAD AND DOUBTFUL DEBTS

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

At the date of this report, the directors are not aware of any circumstances that would render the amount written off for bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent.

CURRENT ASSETS

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

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

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

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

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

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

CHANGE OF CIRCUMSTANCES

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

ITEMS OF MATERIAL AND UNUSUAL NATURE

In the opinion of the directors,

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

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

ISSUE OF SHARES AND DEBENTURES

During the financial year, no new issue of shares or debentures were made by the Company.

TREASURY SHARES

Treasury shares relate to ordinary shares of the Company that were repurchased and held by the Company in accordance with the requirement of Section 127 of the Companies Act 2016 in Malaysia.

There was no repurchase of the Company's issued ordinary shares, nor any resale, cancellation or distribution of treasury shares during the financial year.

As at 31 March 2022, the Company held as treasury shares a total of 2,635,800 of its 4,295,279,562 issued and paid-up ordinary shares. Such treasury shares are held at a carrying amount of RM492,848 as disclosed in Note 17 to the financial statements.

OPTIONS GRANTED OVER UNISSUED SHARES

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

DIRECTORS

The directors in office during the financial year and during the year from the end of the financial year to the date of this report are:

Tsen Keng Yam
Tan Sri Dato' (Dr.) Ir. Chan Ah Chye @ Chan Chong Yoon
Dato' Kamaruddin Bin Mat Desa*
Datuk Dr Ng Bee Ken
Chua Kim Lan*
Yaw Chun Soon*
Chan Tet Eu*

* Directors of the Company and certain subsidiaries.

Other than as stated above, the names of the directors of the subsidiaries of the Company in office during the financial year and during the year from the end of the financial year to the date of the report are:

Rudzas Binti Saim	
Cheng Keng Boo	
Tan Bak Hai	
Ong Jit Kiat	
Li Wenshuo	
Dato' Mohamad Razali Bin Mohamad Rahim	
Anizam Bin Wan Hassan	
Fatin Natasha Ellyna Binti Norhizam	
S Visvanathan A/L P Selvaraju	(Appointed on 8 October 2021)
Hew Mok Kim @ Hew Mook Hin	(Resigned on 8 October 2021)
Dato' Edward Chong Sin Kiat	(Resigned on 13 April 2022)
Dato' Hoo Kim See	(Resigned on 13 April 2022)

DIRECTORS' INTERESTS

According to the Register of Directors' shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

	Number of ordinary shares			
	At 01.04.2021	Bought	Sold	At 31.3.2022
Direct interests				
Tan Sri Dato' (Dr.) Ir. Chan Ah Chye @ Chan Chong Yoon	1,007,710,694	-	-	1,007,710,694
Chua Kim Lan	90,039	-	-	90,039
Yaw Chun Soon	445,000	-	-	445,000
Indirect interests				
Tan Sri Dato' (Dr.) Ir. Chan Ah Chye @ Chan Chong Yoon	258,760,772	-	-	258,760,772 #
Chua Kim Lan	28,125	-	-	28,125 ^
Chan Tet Eu	1,266,471,466	-	-	1,266,471,466*

Indirect interest held through his spouse, Puan Sri Datin Thong Nyok Choo, his daughter, Chan Siu Wei and deemed interested by virtue of his interest in Pengurusan Projek Bersistem Sdn. Bhd., Sze Choon Holdings Sdn. Bhd., Jejak Progresif Sdn. Bhd. pursuant to Section 59(11)(c) and Section 8 of the Companies Act 2016 in Malaysia respectively.

^ Indirect interest held through her spouse, Chin Chee Meng pursuant to Section 59(11)(c) of the Companies Act 2016 in Malaysia.

* Deemed interested through his father Tan Sri Dato' (Dr.) Ir. Chan Ah Chye @ Chan Chong Yoon, his mother Puan Sri Datin Thong Nyok Choo, his sister Chan Siu Wei and by virtue of his interest in Pengurusan Projek Bersistem Sdn. Bhd., Sze Choon Holdings Sdn. Bhd. and Jejak Progresif Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016 in Malaysia.

Tan Sri Dato' (Dr.) Ir. Chan Ah Chye @ Chan Chong Yoon and Chan Tet Eu, by virtue of their interests in the shares of the Company are also deemed interested in the shares of all the Company's subsidiaries to the extent the Company has an interest.

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

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown below) 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.

DIRECTORS' BENEFITS (CONT'D)

The Directors' benefits of the Group and of the Company are as follows:

	GROUP RM'000	COMPANY RM'000
Directors of the Company:		
Fees	175	175
Salaries	546	546
Defined contribution	66	66
Other emoluments	235	235
Benefits-in-kind	22	22
	1,044	1,044
Director of subsidiaries:		
Salaries	124	-
Defined contribution	16	-
Other emoluments	2	-
	142	-
Total	1,186	1,044

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

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 30 to the financial statements.

Other than those subsidiaries with modified opinions in the auditors' reports as disclosed in Note 30 to the financial statements, the available auditors' reports on the accounts of the remaining subsidiaries do not contain any qualification.

INDEMNITY TO DIRECTORS AND OFFICERS

During the financial year, no indemnity was given to or insurance effected for, any director or officer of the Company.

AUDITOR'S REMUNERATION

The auditors' remuneration are as follows:

	GROUP RM'000	COMPANY RM'000
Auditors' remuneration:	397	204

AUDITOR'S INDEMNITY

The Company has agreed to indemnify the auditors of the Company as permitted under Section 289 of the Companies Act 2016 in Malaysia.

AUDITORS

The auditors, Messrs Baker Tilly Monteiro Heng PLT, have expressed their willingness to continue in office.

This report was approved and signed on behalf of the Board of Directors in accordance with a resolution of the directors:

CHUA KIM LAN
Director

YAW CHUN SOON
Director

Date: 29 July 2022

CONSOLIDATED STATEMENTS OF
FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	5	641	874	377	545
Inventories	6	403,864	320,316	42,919	44,411
Investment properties	7	72,494	73,478	-	-
Investment in subsidiaries	8	-	-	553,492	470,571
Investment in associates	9	18,361	18,413	-	-
Interest in joint ventures	10	-	-	-	-
Amount owing by associates	9(b)	23,359	114,146	21,364	111,815
Trade receivables	12(a)	23,772	25,665	-	-
Total non-current assets		542,491	552,892	618,152	627,342
Current assets					
Inventories	6	68,531	49,829	6,474	7,024
Contract assets	13	17	1,437	-	-
Amount owing by subsidiaries	8(a)	-	-	2,301	2,096
Amount owing by associates	9(b)	-	517	-	-
Trade receivables	12(a)	34,292	9,403	405	-
Other receivables and deposits	12(b)	51,336	90,432	40,220	2,076
Prepaid expenses		174	176	-	-
Tax recoverable		194	191	-	-
Sinking funds held by trustees	14	398	4	398	4
Other investment	11	69	68	26	26
Cash and bank balances	15	3,983	3,223	446	286
Total current assets		158,994	155,280	50,270	11,512
TOTAL ASSETS		701,485	708,172	668,422	638,854

FINANCIAL POSITION
(CONT'D)

	Note	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	16	859,086	859,086	859,086	859,086
Treasury shares	17	(493)	(493)	(493)	(493)
Reserves	18	(582,469)	(577,626)	(544,087)	(588,626)
		276,124	280,967	314,506	269,967
Non-controlling interests		1,957	1,565	-	-
Total equity		278,081	282,532	314,506	269,967
Non-current liabilities					
Borrowings	19(a)	653	72,488	153	43,788
Other payables	22	212,028	219,448	207,830	219,448
Amount owing to subsidiaries	8(a)	-	-	7,299	13,792
Total non-current liabilities		212,681	291,936	215,282	277,028
Current liabilities					
Trade payables	20	52,897	44,272	26,030	26,090
Other payables and accruals	22	84,913	88,566	13,972	14,750
Contract liabilites	13	22	4	-	-
Provision for liabilities	21	731	731	-	-
Borrowings	19(b)	72,119	114	42,634	114
Amount owing to subsidiaries	8(a)	-	-	55,998	50,905
Current tax liabilities		41	17	-	-
Total current liabilities		210,723	133,704	138,634	91,859
Total liabilities		423,404	425,640	353,916	368,887
TOTAL EQUITY AND LIABILITIES		701,485	708,172	668,422	638,854

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

STATEMENTS OF
COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Note	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Revenue	23	66,528	38,086	2,169	6,939
Cost of sales	24	(44,591)	(27,813)	(508)	(3,921)
Gross profit		21,937	10,273	1,661	3,018
Other income		44,734	46,460	73,677	97
Administrative expenses		(39,815)	(37,124)	(4,694)	(16,159)
Other expenses		(20,219)	(19,966)	(19,224)	(15,888)
Net reversal/(impairment losses) on financial instruments and contract assets		1,969	(10,852)	552	228
Finance income	25	13,421	3,936	11,430	1
Finance costs	25	(23,718)	(23,573)	(18,840)	(19,415)
Share of results of associates		(52)	(36)	-	-
(Loss)/profit before tax		(1,743)	(30,882)	44,562	(48,118)
Income tax expense	26	(3,203)	(18)	(23)	-
(Loss)/profit for the financial year	27	(4,946)	(30,900)	44,539	(48,118)
Other comprehensive (loss)/income, net of tax					
Items that will be reclassified subsequently to profit or loss					
Reclassification of foreign currency translation reserve to profit or loss upon deconsolidation of a subsidiary		-	(48,628)	-	-
Total comprehensive (loss)/income for the financial year		(4,946)	(79,528)	44,539	(48,118)
(Loss)/profit for the financial year attributable to:					
Owners of the Company		(4,843)	(30,479)	44,539	(48,118)
Non-controlling interests		(103)	(421)	-	-
		(4,946)	(30,900)	44,539	(48,118)
Total comprehensive (loss)/income for the financial year attributable to:					
Owners of the Company		(4,843)	(79,107)	44,539	(48,118)
Non-controlling interests		(103)	(421)	-	-
		(4,946)	(79,528)	44,539	(48,118)
Loss per share attributable to owners of the Company (sen):					
- Basic (sen)	28	(0.11)	(0.71)		

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

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

GROUP	Share Capital RM'000	Capital Reserves RM'000	Treasury Shares RM'000	Accumulated Losses RM'000	Sub Total RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
	← Attributable to owners of the Company →						
At 1 April 2020	859,086	49,428	(493)	(546,286)	361,735	(7,423)	354,312
Total comprehensive loss for the financial year	-	(48,628)	-	(30,479)	(79,107)	(421)	(79,528)
Transactions with owners							
Changes in a subsidairy's ownership interest that do not result in a loss of control	-	-	-	(1,661)	(1,661)	1,661	-
Deconsolidation of a subsidiary	-	-	-	-	-	7,748	7,748
At 31 March 2021	859,086	800	(493)	(578,426)	280,967	1,565	282,532
Total comprehensive loss for the financial year	-	-	-	(4,843)	(4,843)	(103)	(4,946)
Transactions with owners							
Non-controlling interest arising from acquisition of a new subsidiary	-	-	-	-	-	495	495
At 31 March 2022	859,086	800	(493)	(583,269)	276,124	1,957	278,081

STATEMENT OF CHANGES IN EQUITY

COMPANY	Share Capital RM'000	Treasury Shares RM'000	Accumulated Losses RM'000	Total Equity RM'000
At 1 April 2020	859,086	(493)	(540,508)	318,085
Total comprehensive loss for the financial year	-	-	(48,118)	(48,118)
At 31 March 2021	859,086	(493)	(588,626)	269,967
Total comprehensive income for the financial year	-	-	44,539	44,539
At 31 March 2022	859,086	(493)	(544,087)	314,506

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

	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
(Loss)/profit before tax	(1,743)	(30,882)	44,562	(48,118)
Adjustments for:				
Interest expenses	23,089	21,217	18,361	17,030
Interest income	(1,401)	(124)	(1,365)	(1)
Bad debts written off	22,209	-	9	-
Depreciation:				
- property, plant and equipment	249	250	168	168
- investment properties	984	3,401	-	-
Impairment loss on:				
- investment in subsidiaries	-	-	19,224	15,023
- investment properties	-	19,102	-	-
- amount owing by subsidiaries	-	-	1,772	2,118
- amount owing by associates	59	-	-	-
- receivables - trade	245	402	-	-
- receivables - non trade	62	12,814	-	-
- other investment	-	2	-	-
Inventories written down	2,032	7,237	1,552	7,189
Gain on deconsolidation of a subsidiary	-	(46,000)	-	-
(Gain)/loss on disposal of investment in a joint venture	-*	13	-	-
(Gain)/loss on financial assets at amortised cost	(11,076)	568	(10,065)	29
(Gain)/loss on financial liabilities at amortised cost	(315)	(1,456)	479	2,356
Impairment loss no longer required				
- investment in subsidiaries	-	-	(41,859)	-
- receivables - trade	(9)	-	-	-
- receivables - non trade	(2,326)	(2,360)	(2,324)	(2,327)
- amount owing by subsidiaries	-	-	-	(2,019)
Loss on acquisition of subsidiaries	1,895	-	-	-
Sub total carried forward	33,954	(15,816)	30,514	(8,552)

* *Represent amount less than RM1,000*

	GROUP		COMPANY	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES (CONT'D)				
Sub total brought forward	33,954	(15,816)	30,514	(8,552)
Waiver of debt	(27,000)	-	(31,253)	-
Share of results of associates	52	36	-	-
Operating profit/(loss) before working capital changes	7,006	(15,780)	(739)	(8,552)
Changes in working capital				
Contract assets/ liabilities	1,438	(1,840)	-	-
Subsidiaries balances	-	-	2,931	2,925
Inventories	10,218	5,421	490	3,692
Receivables	(3,258)	(3,774)	1,462	2,641
Sinking fund held by trustee	(394)	-	(394)	-
Payables	10,152	30,315	14,544	12,940
Cash generated from operations	25,162	14,342	18,294	13,646
Interest received	1,401	124	1,365	1
Income taxes paid	(3,179)	(17)	(23)	-
Income taxes refund	-	18	-	-
Interest paid	(23,089)	(21,217)	(18,361)	(17,030)
Net Cash Generated From/(Used In) Operating Activities	295	(6,750)	1,275	(3,383)

		GROUP		COMPANY	
	Note	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES					
Net change in associates balances		-	25	-	-
Disposal of subsidiaries (Note 8(c))		-	(107)	-	-
Net cash flow from acquisition of subsidiaries		312	-	-	-
Proceeds from disposal of investments in a joint venture		-*	290	-	-
Proceeds from disposal/ (purchase) of other investments		(1)	179	-	178
Investment in subsidiaries		-	-	-	86
Purchase of property, plant and equipment		(16)	(191)	-	-
Net Cash Generated From Investing Activities		295	196	-	264
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayment of borrowings	(a)	(1,365)	(108)	(1,365)	(108)
Drawdown of - term loan	(a)	1,535	6,200	250	3,500
Changes in balances pledged as security		-	1,245	-	-
Net Cash Generated From/ (Used In) Financing Activities		170	7,337	(1,115)	3,392
NET INCREASE IN CASH AND CASH EQUIVALENTS		760	783	160	273
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		3,223	2,440	286	13
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR (Note 15)		3,983	3,223	446	286

* *Represent amount less than RM1,000*

(a) Reconciliation of liabilities arising from financing activities:

GROUP	1 April 2020 RM'000	Cash flows RM'000	31 March 2021 RM'000	Cash flows RM'000	31 March 2022 RM'000
Borrowings (Note 19)					
Term loans	26,000	6,200	32,200	285	32,485
Lease liabilities	502	(108)	394	(115)	279
Other borrowings	49,111	(9,103)	40,008	-	40,008
	75,613	(3,011)	72,602	170	72,772
COMPANY					
Borrowings (Note 19)					
Term loans	-	3,500	3,500	(1,000)	2,500
Lease liabilities	502	(108)	394	(115)	279
Other borrowings	40,008	-	40,008	-	40,008
	40,510	3,392	43,902	(1,115)	42,787

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

1. CORPORATE INFORMATION

Talam Transform Berhad ("the Company") is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at Unit 17.02, Level 17, Menara Maxisegar, Jalan Pandan Indah 4/2, Pandan Indah, 55100 Kuala Lumpur. The principal place of business of the Company is located at Level 21, Menara Maxisegar, Jalan Pandan Indah 4/2, Pandan Indah, 55100 Kuala Lumpur.

The principal activities of the Company during the financial year were those of the provision of management services, investment holding and property development. The principal activities of the subsidiaries of the Company are stated in Note 30 to the financial statements.

There were no significant changes in the nature of these principal activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 29 July 2022.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

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

2.2 Adoption of amendments/improvements to MFRSs

The Group and the Company have adopted the following amendments/improvements to MFRSs for the current financial year:

Amendments/Improvements to MFRSs	
MFRS 4	Insurance contracts
MFRS 7	Financial Instruments : Disclosures
MFRS 9	Financial Instruments
MFRS 16	Leases
MFRS 139	Financial Instruments: Recognition and Measurement

The adoption of the above amendments/improvements to MFRSs did not have any significant effect on the financial statements of the Group and the Company and did not result in significant changes to the Group's and the Company's existing accounting policies.

2. BASIS OF PREPARATION (CONT'D)

2.3 New MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective

(a) The Group and the Company have not adopted the following new MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective:

		Effective for financial periods beginning on or after
New MFRS		
MFRS 17	Insurance Contracts	1 January 2023
Amendments/Improvements to MFRSs		
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2022^/ 1 January 2023#
MFRS 3	Business Combinations	1 January 2022/ 1 January 2023#
MFRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2023#
MFRS 7	Financial Instruments: Disclosures	1 January 2023#
MFRS 9	Financial Instruments	1 January 2022^/ 1 January 2023#
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 15	Revenue from Contracts with Customers	1 January 2023#
MFRS 16	Leases	1 January 2022^
MFRS 17	Insurance Contracts	1 January 2023
MFRS 101	Presentation of Financial Statements	1 January 2023/ 1 January 2023#
MFRS 107	Statements of Cash Flows	1 January 2023#
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023
MFRS 112	Income Taxes	1 January 2023
MFRS 116	Property, Plant and Equipment	1 January 2022/ 1 January 2023#
MFRS 119	Employee Benefits	1 January 2023#
MFRS 128	Investments in Associates and Joint Ventures	Deferred/ 1 January 2023#
MFRS 132	Financial instruments: Presentation	1 January 2023#
MFRS 136	Impairment of Assets	1 January 2023#
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2022/ 1 January 2023#
MFRS 138	Intangible Assets	1 January 2023#
MFRS 140	Investment Property	1 January 2023#
MFRS 141	Agriculture	1 January 2022^

^ The Annual Improvements to MFRS Standards 2018-2020
 # Amendments as to the consequence of effective of MFRS 17 Insurance Contracts

2. BASIS OF PREPARATION (CONT'D)

2.3 New MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective (Cont'd)

(b) The Group and the Company plan to adopt the above applicable new MFRS and amendments/improvements to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments/improvements to MFRSs that may applicable to the Group and the Company are summarised below.

Annual Improvements to MFRS Standards 2018–2020

Annual Improvements to MFRS Standards 2018–2020 covers amendments to:

- MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards* – simplifies the application of MFRS 1 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences.
- MFRS 9 *Financial Instruments* – clarifies the fees a company includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability.
- Illustrative Examples accompanying MFRS 16 *Leases* – deletes from Illustrative Example 13 the reimbursement relating to leasehold improvements in order to remove any potential confusion regarding the treatment of lease incentives.
- MFRS 141 *Agriculture* – removes a requirement to exclude cash flows from taxation when measuring fair value thereby aligning the fair value measurement requirements in MFRS 141 with those in other MFRS Standards.

Amendments to MFRS 3 Business Combinations

The amendments update MFRS 3 by replacing a reference to an old version of the Conceptual Framework for Financial Reporting with a reference to the latest version which was issued by Malaysian Accounting Standards Board in April 2018.

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures

These amendments address an acknowledged inconsistency between the requirements in MFRS 10 and those in MFRS 128, in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business, as defined in MFRS 3. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business.

Amendments to MFRS 101 Presentation of Financial Statements

The amendments include specifying that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period; clarifying that classification of liability is unaffected by the likelihood of the entity to exercise its right to defer settlement of the liability for at least twelve months after the reporting period ; clarifying how lending conditions affect classification of a liability; and clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

The amendments require an entity to disclose its material accounting policy information rather than significant accounting policies. The amendments, amongst others, also include examples of circumstances in which an entity is likely to consider an accounting policy information to be material to its financial statements. To support this amendments, MFRS Practice Statement 2 was also amended to provide guidance on how to apply the concept of materiality to accounting policy information disclosures. The guidance and examples provided in the MFRS Practice Statement 2 highlight the need to focus on entity-specific information and demonstrate how the four-step materiality process can address standardised (or boilerplate) information and duplication of requirements of MFRSs in the accounting policy information disclosures.

2. BASIS OF PREPARATION (CONT'D)

2.3 New MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective (Cont'd)

(b) The Group and the Company plan to adopt the above applicable new MFRS and amendments/improvements to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments/improvements to MFRSs that may applicable to the Group and the Company are summarised below. (Cont'd)

Amendments to MFRS 116 Property, Plant and Equipment

The amendments prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the entity is preparing the asset for its intended use. Instead, an entity shall recognise such sales proceeds and related cost in profit or loss.

Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets

The amendments specify which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous.

2.4 Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency at the primary economic environment in which they operate ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency and are rounded to the nearest thousand, unless otherwise stated.

2.5 Basis of measurement

The financial statements of the Group and of the Company have been prepared under the historical cost basis, except as otherwise disclosed in Note 3.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unless otherwise stated, the following accounting policies have been applied consistently to all the financial years presented in the financial statements of the Group and the Company.

3.1 Basis of consolidation

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

(a) Subsidiaries and business combination

Subsidiaries are entities over which the Group is exposed, or has rights, to variable returns from its involvement with the acquirees and has the ability to affect those returns through its power over the acquirees.

The financial statements of subsidiaries are included in the consolidated financial statements from the date the Group obtained control of the acquirees until the date the Group loses control of the acquirees.

The Group applies the acquisition method to account for business combinations from the acquisition date.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (Cont'd)

(a) Subsidiaries and business combination (Cont'd)

For a new acquisition, goodwill is initially measured at cost, being the excess of the following:

- the fair value of the consideration transferred, calculated as the sum of the acquisition-date fair value of assets transferred (including contingent consideration), the liabilities incurred to former owners of the acquiree and the equity instruments issued by the Group. Any amounts that relate to pre-existing relationships or other arrangements before or during the negotiations for the business combination, that are not part of the exchange for the acquiree, will be excluded from the business combination accounting and be accounted for separately; plus

- the recognised amount of any non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date (the choice of measurement basis is made on an acquisition-by-acquisition basis); plus

- if the business combination is achieved in stages, the acquisition-date fair value of the previously held equity interest in the acquiree; less

- the net fair value of the identifiable assets acquired and the liabilities assumed at the acquisition date.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

If the business combination is achieved in stages, the Group remeasures the previously held equity interest in the acquiree to its acquisition-date fair value, and recognises the resulting gain or loss, if any, in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have been previously recognised in other comprehensive income are reclassified to profit or loss or transferred directly to retained earnings on the same basis as would be required if the acquirer had disposed directly of the previously held equity interest.

If the initial accounting for a business combination is incomplete by the end of the reporting year in which the business combination occurs, the Group uses provisional fair value amounts for the items for which the accounting is incomplete. The provisional amounts are adjusted to reflect new information obtained about facts and circumstances that existed as of the acquisition date, including additional assets or liabilities identified in the measurement year. The measurement year for completion of the initial accounting ends as soon as the Group receives the information it was seeking about facts and circumstances or learns that more information is not obtainable, subject to the measurement year not exceeding one year from the acquisition date.

Upon the loss of control of subsidiary, the Group derecognises the assets and liabilities of the former subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the consolidated statement of financial position. Any gain or loss arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an associate, joint venture, an available-for-sale financial asset or a held for trading financial asset.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The difference between the Group's share of net assets before and after the change, and the fair value of the consideration received or paid, is recognised directly in equity.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (Cont'd)

(b) Non-controlling interests

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

Losses attributable to the non-controlling interests are allocated to the non-controlling interests even if the losses exceed the non-controlling interests.

(c) Associates

Associates are entities over which the Group has significant influence, but not control over the financial and operating policies.

Investments in associates are accounted for in the consolidated financial statements using the equity method.

Under the equity method, the investments in associates are initially recognised at cost. The cost of investment includes transaction costs. Subsequently, the carrying amount is adjusted to recognise changes in the Group's share of net assets of the associate.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest including any long-term investments is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

When the Group ceases to have significant influence over an associate, any retained interest in the former associate at the date when significant influence is lost is measured at fair value and this amount is regarded as the initial carrying amount of a financial asset. 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.

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

(d) Joint arrangements

Joint arrangements arise when the Group and another party or parties are bound by a contractual arrangement, and the contractual arrangement gives the Group and the other party or parties, joint control of the arrangement. Joint control exists when there is contractually agreed sharing of control of an arrangement whereby decisions about the relevant activities require the unanimous consent of the parties sharing control.

Joint arrangements are classified and accounted for as follows:

- A joint arrangement is classified as a "joint operation" when the Group has rights to the assets and obligations for the liabilities relating to the arrangement. The Group accounts for its share of its assets (including its share of any assets held jointly), its liabilities (including its share of any liabilities incurred jointly), its revenue from the sale of its share of the output arising from the joint operation, its share of the revenue from the sale of the output by the joint operation and its expenses (including its share of any expenses incurred jointly).

- A joint arrangement is classified as "joint venture" when the Group has rights to the net assets of the arrangements. The Group accounts for its interest in the joint venture using the equity method in accordance with MFRS 128 *Investments in Associates and Joint Ventures.*

The Group has assessed the nature of its joint arrangements and determined them to be joint ventures and accounted for its interest in the joint ventures using the equity method.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (Cont'd)

(e) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity-accounted associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.2 Separate financial statements

In the Company's statement of financial position, investments in subsidiaries, joint ventures and associates are measured at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs. The policy for the recognition and measurement of impairment losses shall be applied on the same basis as would be required for impairment of non-financial assets as disclosed in Note 3.11(b).

"Contribution to subsidiaries" are amounts on which the Company does not expect repayment in the foreseeable future and are considered as part of the Company's investment in the subsidiaries.

3.3 Foreign currency transactions and operations

(a) Translation of foreign currency transactions

Foreign currency transactions are translated to the respective functional currencies of the Group entities at the exchange rates prevailing at the dates of the transactions.

At the end of each reporting date, monetary items denominated in foreign currencies are retranslated at the exchange rates prevailing at the reporting date.

Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated at the rates prevailing at the dates the fair values were determined. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated at the historical rates as at the dates of the initial transactions.

Foreign exchange differences arising on settlement or retranslation of monetary items are recognised in profit or loss except for monetary item that is designated as a hedging instrument in either a cash flow hedge or a hedge of the Group's net investment of a foreign operation. When settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, exchange differences are recognised in profit or loss in the separate financial statements of the parent company or the individual financial statements of the foreign operation. In the consolidated financial statements, the exchange differences are considered to form part of a net investment in a foreign operation and are recognised initially in other comprehensive income until its disposal, at which time, the cumulative amount is reclassified to profit or loss.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 Foreign currency transactions and operations (Cont'd)

(b) Translation of foreign operations

The assets and liabilities of foreign operations denominated in functional currency different from the presentation currency, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency at exchange rates prevailing at the reporting date. The income and expenses of foreign operations are translated at exchange rates at the dates of the transactions.

Exchange differences arising on the translation are recognised in other comprehensive income. However, if the foreign operation is a non-wholly owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests.

When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in foreign exchange translation reserve related to that foreign operation is reclassified to profit or loss. For a partial disposal not involving loss of control of a subsidiary that includes a foreign operation, the proportionate share of cumulative amount in foreign exchange translation reserve is reattributed to non-controlling interests. For partial disposals of associates or joint ventures that do not result in the Group losing significant influence or joint control, the proportionate share of the cumulative amount in foreign exchange translation reserve is reclassified to profit or loss.

3.4 Financial instruments

Financial instruments are recognised in the statement of financial position when, and only when, the Group and the Company becomes a party to the contract provisions of the financial instrument.

Except for the trade receivables that do not contain a significant financing component or for which the Group and the Company has applied the practical expedient, the financial instruments are recognised initially at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset and financial liability. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Trade receivables that do not contain a significant financing component or for which the Group and the Company has applied the practical expedient are measured at the transaction price determined under MFRS 15.

(a) Subsequent measurement

(i) Financial assets

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

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income with recycling of cumulative gains and losses
- Financial assets at fair value through other comprehensive income with no recycling of cumulative gains and losses upon derecognition
- Financial assets at fair value through profit or loss

The classification depends on the entity's business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

The Group and the Company reclassify financial assets when and only when its business model for managing those assets changes.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Financial instruments (Cont'd)

(a) Subsequent measurement (Cont'd)

(i) Financial assets (Cont'd)

Debt instruments

Subsequent measurement of debt instruments depends on the Group's and the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group and the Company classifies their debt instruments:

- **Amortised cost**

  Financial assets that are held for collection of contractual cash flows and those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.11(a) to the financial statements. Gains and losses are recognised in profit or loss when the financial asset is derecognised, modified or impaired.

- **Fair value through other comprehensive income (FVOCI)**

  Financial assets that are held for collection of contractual cash flows and for selling the financial assets, and the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.11(a) to the financial statements. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

- **Fair value through profit or loss (FVPL)**

  Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

  Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Financial instruments (Cont'd)

(a) Subsequent measurement (Cont'd)

(i) Financial assets (Cont'd)

Equity instruments

The Group and the Company subsequently measures all equity investments at fair value. Upon initial recognition, the Group and the Company can make an irrevocable election to classify its equity investments that is not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are not recycled to profit or loss. Dividends are recognised as other income in the profit or loss when the right of payment has been established, except when the Group and the Company benefit from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity instruments designated at FVOCI are not subject to impairment assessment.

(ii) Financial liabilities

The Group and the Company classify their financial liabilities in the following measurement categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading, including derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial liabilities designated into this category upon initial recognition.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value with the gain or loss recognised in profit or loss.

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

Financial liabilities at amortised cost

Subsequent to initial recognition, other financial liabilities are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss through the amortisation process.

(b) 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 because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the liability is measured at the higher of the amount of the loss allowance determined in accordance with Section 5.5 of MFRS 9 and the amount initially recognised, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Financial instruments (Cont'd)

(c) Regular way purchase or sale of financial assets

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

A regular way purchase or sale of financial assets shall be recognised and derecognised, as applicable, using trade date accounting (i.e. the date the Group and the Company commit themselves to purchase or sell an asset).

Trade date accounting refers to:

(i) the recognition of an asset to be received and the liability to pay for it on the trade date; and
(ii) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

Generally, interest does not start to accrue on the asset and corresponding liability until the settlement date when title passes.

(d) Derecognition

A financial asset or a part of it is derecognised when, and only when:

(i) the contractual rights to receive the cash flows from the financial asset expire, or
(ii) the Group and the Company have transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group and the Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

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

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

On derecognition of a financial asset, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

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

(e) Offsetting of financial instruments

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

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity shall not offset the transferred asset and the associated liability.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5 Property, plant and equipment

(a) Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The policy for the recognition of measurement of impairment losses is in accordance with Note 3.11(b).

Cost of assets includes expenditures that are directly attributable to the acquisition of the asset and any other costs that are directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes cost of materials, direct labour, and any other direct attributable costs but excludes internal profits. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs in Note 3.16.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as a separate item of property, plant and equipment.

(b) Subsequent cost

The cost of replacing a part of an item of property, plant and equipment is included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the part will flow to the Group or the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss as incurred.

(c) Depreciation

Property, plant and equipment are depreciated on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful lives of the assets concerned. The annual rates used for this purpose are as follows:

	Useful lives (years)
Renovation	10 years
Plant, machinery and equipment	5 – 10 years
Motor vehicles	5 years

The residual values and useful lives of property, plant and equipment are reviewed, and adjusted if appropriate.

Fully depreciated assets are retained in the financial statements until the assets are no longer in use.

(d) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognised in profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.6 Leases

(a) Definition of lease

At inception of a contract, the Group and the Company assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a year of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group and the Company assess whether:

- the contract involves the use of an identified asset;
- the Group and the Company have the right to obtain substantially all of the economic benefits from use of the asset throughout the year of use; and
- the Group and the Company have the right to direct the use of the asset.

(b) Lessee accounting

At the lease commencement date, the Group and the Company recognise a right-of-use asset and a lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less).

The Group and the Company present right-of-use assets and lease liabilities as separate lines in the statements of financial position.

Right-of-use asset

The right-of-use asset is initially recognised 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 the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any accumulated impairment losses, and adjust for any remeasurement of the lease liabilities. The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. If expects to exercise a purchase option, the right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts from the commencement date of the underlying asset. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.11(b) to the financial statements.

Lease liability

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

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option, if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.6 Leases (Cont'd)

(b) Lessee accounting (Cont'd)

Lease liability (Cont'd)

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The Group and the Company remeasure the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Variable lease payments that do not depend on an index or a rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the year in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the statements of comprehensive income.

The Group and the Company have elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Short-term leases and leases of low value assets

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low value assets. The Group and the Company recognise the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(c) Lessor accounting

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases that do not meet this criterion are classified as operating leases.

When the Group and the Company are intermediate lessors, they account for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. If a head lease is a short-term lease to which the Group applies the exemption described in Note 3.6(b), then it classifies the sub-lease as an operating lease.

If an entity in the Group is a lessor in a finance lease, it derecognises the underlying asset and recognises a lease receivable at an amount equal to the net investment in the lease. Finance income is recognised in profit or loss based on a pattern reflecting a constant yearic rate of return on the lessor's net investment in the finance lease.

If an entity in the Group is a lessor in an operating lease, the underlying asset is not derecognised but is presented in the statements of financial position according to the nature of the asset. Lease income from operating leases is recognised in profit or loss on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished.

When a contract includes lease and non-lease components, the Group and the Company apply MFRS 15 to allocate the consideration under the contract to each component.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.7 Investment properties

Investment properties are properties held to earn rental income or for capital appreciation or both.

Investment properties on freehold land are stated at cost less accumulated impairment losses, if any, and are not depreciated as it has an indefinite life. Other investment properties are stated at cost less accumulated depreciation and impairment losses, if any. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.11(b) to the financial statements.

Other investment properties are depreciated on a straight-line basis to write off the cost of the assets to their residual values over their estimated useful life at an annual rate of 1% to 2.5%.

Cost includes purchase price and any directly attributable costs incurred to bring the property to its present location and condition intended for use as an investment property. The cost of a self-constructed investment property includes the cost of material, direct labour and any other direct attributable costs. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs in Note 3.16.

An investment property is derecognised on their disposal or when it is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gains and losses arising from derecognition of the asset is recognised in the profit or loss.

3.8 Inventories

Inventories are measured at the lower of cost and net realisable value, cost being determined based on specific identification.

Property under development

Cost includes:
- freehold and leasehold rights for land
- amounts paid to contractors for construction
- planning and design costs, costs for site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs

The cost of inventory recognised in profit or loss is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative sale value of the property sold.

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.

3.9 Contract assets/(liabilities)

Contract asset is the right to consideration for goods or services transferred to the customers when that right is conditioned on something other than the passage of time (for example, the Company's future performance).

The policy for the recognition and measurement of impairment losses is in accordance with Note 3.11(a).

Contract liability is the obligation to transfer goods or services to customer for which the Group has received the consideration or has billed the customer.

3.10 Cash and cash equivalents

For the purpose of the statements of cash flows, cash and cash equivalents comprise cash on hand and bank balances which are subject to an insignificant risk of changes in value. Cash and cash equivalents are presented net of bank overdraft.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.11 Impairment of assets

(a) Impairment of financial assets and contract asset

Financial assets measured at amortised cost, financial assets measured at FVOCI, lease receivables, contract assets or a loan commitment and financial guarantee contracts will be subject to the impairment requirement in MFRS 9 which is related to the accounting for expected credit losses on the financial assets. Expected credit loss is the weighted average of credit losses with the respective risks of a default occurring as the weights.

The Group and the Company measure loss allowance at an amount equal to lifetime expected credit loss, except for the following, which are measured as 12-month expected credit loss:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

For trade receivables, contract assets and lease receivables, the Group and the Company apply the simplified approach permitted by MFRS 9 to measure the loss allowance at an amount equal to lifetime expected credit losses.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's and the Company's historical experience and informed credit assessment and including forward-looking information.

The Group and the Company assume that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group and the Company consider a financial asset to be in default when:

- the borrower is unable to pay its credit obligations to the Group and the Company in full, without taking into account any credit enhancements held by the Group and the Company; or
- the contractual payment of the financial asset is more than 90 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The maximum year considered when estimating expected credit losses is the maximum contractual year over which the Group and the Company are exposed to credit risk.

Expected credit losses are a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

Expected credit losses are discounted at the effective interest rate of the financial assets.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.11 Impairment of assets (Cont'd)

(a) Impairment of financial assets and contract asset (Cont'd)

At each reporting date, the Group assess whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default of past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties; or
- the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

The amount of expected credit losses (or reversal) shall be recognised in profit or loss, as an impairment gain or loss. For financial assets measured at FVOCI, the loss allowance shall be recognised in other comprehensive income and shall not reduce the carrying amount of the financial asset in the statement of financial position.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or source of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedure for recovery of amounts due.

(b) Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at the end of each reporting year to determine whether there is any indication of impairment. If any such indication exists, the Group and the Company make an estimate of the asset's recoverable amount.

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 non-financial assets or cash-generating units ("CGUs").

The recoverable amount of an asset or a CGU is the higher of its fair value less costs of disposal and its value-in-use. 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 CGU. In determining the fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where the carrying amount of an asset exceed its recoverable amount, the carrying amount of asset is reduced to its recoverable amount.

Impairment losses are recognised in profit or loss.

For other assets, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. An impairment loss is reversed only if there has been a change in the estimates used to determine the assets recoverable amount since the last impairment loss was recognised. Reversal of impairment loss is restricted by the asset's carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.12 Share capital

(a) Ordinary shares

Ordinary shares are equity instruments. An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Dividends on ordinary shares are recognised in equity in the year in which they are declared.

(b) Redeemable convertible preference share capital

Preference share capital is classified as equity if it is non-redeemable, or is redeemable but only at the Company's option, and any dividend is discretionary. Dividends thereon are recognised as distributions within equity.

Preference share capital is classified as financial liability if it is redeemable on a specific date or at the option of the equity holders, or if dividend payments are not discretionary. Dividends thereon are recognised as interest expense in profit or loss as accrued.

(c) Treasury shares

When share capital recognised as equity is repurchased, the amount of consideration paid is recognised directly in equity. Repurchased shares that have not been cancelled including any attributable transaction costs are classified as treasury shares and presented as a deduction from total equity.

When treasury shares are sold or reissued subsequently, the difference between the sales consideration and the carrying amount is presented as a movement in equity.

3.13 Employee benefits

(a) Short-term employee benefits

Short-term employee benefit obligations in respect of wages, salaries, social security contributions, annual bonuses, paid annual leave, sick leave and non-monetary benefits are recognised as an expense in the financial year where the employees have rendered their services to the Group.

(b) Defined contribution plans

As required by law, the Group contributes to the Employees Provident Fund ("EPF"), the national defined contribution plan. Certain foreign subsidiaries make contributions to their respective countries' statutory pension scheme. Such contributions are recognised as an expense in the profit or loss in the year in which the employees render their services.

3.14 Provisions

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

Provisions are determined by discounting the expected future cash flows at a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.15 Revenue and other income

Revenue is measured based on the consideration specified in contract with a customer in exchange for transferring goods or services to a customer, excluding amount collected on behalf of third parties. The Group recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of the assets.

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

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

(a) Property development

The Group develops and sells residential and commercial properties, including development lands. Contracts with customers may include multiple distinct promises to customers and therefore accounted for as separate performance obligations. If the contract with customer contains more than one performance obligation, where the stand-alone selling prices are not directly observable, they are estimated based on expected cost plus margin.

Revenue from residential and commercial properties are recognised as and when the control of the asset is transferred to the customer. Based on the terms of the contract and the laws that apply to the contract, control of the asset is transferred over time as the Group's performance does not create an asset with an alternative use to the Group has an enforceable right to payment for performances completed to date. Revenue is recognised over the year of the contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of a performance obligation is determined by the proportion of property development costs incurred for work performed to date bear to the estimated total property development costs (an input method).

The consideration is due based on the scheduled payments in the contract, therefore, no element of financing is deemed present. When a particular milestone is reached in excess of the scheduled payments, a contract asset will be recognised for the excess of revenue recognised to date under the input method over the progress billings to-date and include deposits or advances received from customers. When the progress billings to-date and include deposits or advances received from customers exceeds revenue recognised to date then the Group recognises a contract liability for the difference.

Consistent with market practice, the Group collects deposit from customers for sale of properties. A contract liability is recognised for the customer deposits as the Group has obligations to transfer the goods or services to the customer in respect of deposits received. Customer deposits would be recognised as revenue upon transfer of goods or services to the customer.

(b) Sales of inventories and land

Revenue is recognised at a point in time when control of the inventories and land has been transferred.

(c) Management fee

Management fee is recognised on an accrual basis, net of service taxes.

(d) Interest income

Interest income other than interest income from late payment by house buyers and other trade receivables are recognised on an accrual basis unless collectability is in doubt in which recognition will be on a receipt basis.

(e) Rental income

Rental income from investment property is recognised on a straight-line basis over the term of the lease.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.15 Revenue and other income (Cont'd)

(f) Revenue from construction contracts

Under the terms of the contracts, control of the assets is transferred over time as the Group creates or enhances an asset that the customer controls as the asset is created or enhanced. Revenue is recognised over the year of the contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of a performance obligation is determined by the proportion of construction costs incurred for work performed to date that bears to the estimated total construction costs (an input method).

The Group recognises a contract asset for any excess of revenue recognised to date over the billings-to-date. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point when invoice is issued or timing for billing is due to passage of time. If the milestone billing exceeds the revenue recognised to date and any deposit or advances received from customers, then the Group and the Company will recognise a contract liability on the difference.

(g) Sale of goods

Revenue from sales of goods are recognised at a point in time when control of the products has been transferred, being when the customer accepts the delivery of the goods.

Sales are made with a credit term of 30 to 60 days, therefore, no element of financing is deemed present. A receivable is recognised when the customer accepts the delivery of the goods as the consideration is unconditional other thanthe passage of time before the payment is due.

Where consideration is collected from customer in advance for sale of good, a contract liability is recognised for the customer deposits. Contract liability would be recognised as revenue upon sale of goods to the customer.

3.16 Borrowing costs

Borrowing costs are interests and other costs that the Group incurs in connection with borrowing of funds.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial year of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

The Group and the Company begin capitalising borrowing costs when the Group and the Company have incurred the expenditures for the asset, incurred related borrowing costs and undertaken activities that are necessary to prepare the asset for its intended use or sale.

3.17 Taxes

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

(a) Current tax

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.17 Taxes (Cont'd)

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in the statements of financial position. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the Group is able to control the reversal timing of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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

(c) Sales and services tax ("SST")

Revenue, expenses and assets are recognised net of the amount of sales and services tax except:

- where the sales and services tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales and services tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of sales tax included.

The net amount of sales and services tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

3. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

3.18 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the executive director of operations who is responsible for allocating resources and assessing performance of the operating segments and recommends strategic decisions to the Board.

3.19 Fair value measurements

Fair value of an asset or a liability, except for lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

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

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date. Active markets refer to a market in which the transactions for the assets take place with sufficient frequency and volume for pricing information to be provided on an ongoing basis.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. In market conditions where properties are actively purchased and sold and there is a stock of sufficient comparable (but not identical) properties, the fair value may be classified as Level 2. However, this is based on the fact and circumstances that no significant adjustments have been made to the observable data.

Level 3: Unobservable inputs for the asset or liability, especially in inactive or less transparent real property markets.

The Group recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

3.20 Contingencies

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

Contingent liability is also referred as a present obligation that arises from past events but is not recognised because:

(a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(b) the amount of the obligation cannot be measured with sufficient reliability.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.21 Earnings Per Share

The Group presents basic and diluted earnings per share data for its ordinary shares ("EPS"). Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

3.22 Related parties

A party is related to an entity if:

(i) directly, or indirectly through one or more intermediaries, the party:
- controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
- has an interest in the entity that gives it significant influence over the entity; or
- has joint control over the entity;

(ii) the party is an associate of the entity;

(iii) the party is a joint venture in which the entity is a venturer;

(iv) the party is a member of the key management personnel of the entity or its parent;

(v) the party is a close member of the family of any individual referred to in (i) or (iv);

(vi) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or

(vii) the party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.

Close members of the family of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity that have the most significant effect on the Group's and the Company's financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Group's and the Company's financial statements within the next financial year are disclosed as follows:

(a) Impairment of financial assets (Note 9(b) and 12)

The impairment of financial assets are based on assumptions about risk of default and expected loss rate. The Group and the Company use judgement in making these assumptions and selecting inputs to the impairment calculation as forward-looking estimates at the end of each reporting year.

The assessment of the correlation between historical observed default rates, forward-looking estimates and expected credit losses is a significant estimate. The amount of expected credit losses is sensitive to changes in circumstances and of forecast economic conditions over the expected lives of the financial assets and contract assets. The Group's and the Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

(b) Inventories (Note 6)

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

Significant judgement is required in arriving at the net realisable value, particularly the estimated selling price of property inventories in the ordinary course of the business. The Group and the Company have considered all available information, including but not limited to expected sales prices, property market conditions, locations of property inventories and target buyers.

Inventories are reviewed on a regular basis and the Group has made allowances for excess or obsolete inventories based on the factor above.

(c) Construction revenue (Note 13)

The Group recognised construction revenue in profit or loss by measuring the progress towards complete satisfaction of its performance obligations. The progress towards complete satisfaction of performance obligations is determined by the proportion of construction costs incurred for work performed to-date that bears to the estimated total construction costs.

Significant judgement is required in determining the progress towards complete satisfaction of performance obligations, the extent of the construction costs incurred and the estimated total construction revenue, expenses and profitability of the construction projects, as well as the recoverability of billings. In making the judgement, the Group evaluates based on past experiences and by relying on the input of specialists.

(d) Impairment of investments in subsidiaries (Note 8)

The Company assesses whether there is any indication that the cost of investment in subsidiaries is impaired at the end of each reporting date. Impairment is measured by comparing the carrying amount of an asset with its recoverable amount. Recoverable amount is measured at the higher of the fair value less cost to sell for that asset and its value-in-use. The value-in-use involves exercise of judgement on the discount rate applied and the assumptions supporting the underlying cash flow projection which includes future sales, gross profit margin and operating expenses.

5. PROPERTY, PLANT AND EQUIPMENT

GROUP	Renovation RM'000	Plant, Machinery and Equipment RM'000	Motor Vehicles RM'000	Right-of-use Assets RM'000	Total RM'000
Cost					
At 1 April 2020	805	1,579	1,034	839	4,257
Additions	-	191	-	-	191
Deconsolidation of a subsidiary	-	(219)	-	-	(219)
At 31 March 2021	805	1,551	1,034	839	4,229
Additions	-	16	-	-	16
At 31 March 2022	805	1,567	1,034	839	4,245
Accumulated Depreciation					
At 1 April 2020	778	1,305	940	126	3,149
Charge for the financial year	4	55	23	168	250
Deconsolidation of a subsidiary	-	(44)	-	-	(44)
At 31 March 2021	782	1,316	963	294	3,355
Charge for the financial year	4	54	23	168	249
At 31 March 2022	786	1,370	986	462	3,604
Carrying Amount					
At 31 March 2021	23	235	71	545	874
At 31 March 2022	19	197	48	377	641

COMPANY	Renovation RM'000	Right-of-use Asset RM'000	Total RM'000
Cost			
At 31 March 2021/ 31 March 2022	665	839	1,504
Accumulated Depreciation			
At 1 April 2020	665	126	791
Depreciation charged during the year	-	168	168
At 31 March 2021	665	294	959
Depreciation charged during the year	-	168	168
At 31 March 2022	665	462	1,127
Carrying Amount			
At 31 March 2021	-	545	545
At 31 March 2022	-	377	377

Right-of-use assets

The Group and the Company lease motor vehicles with lease term of 5 years under lease arrangements as disclosed in Note 19 (iii) to the financial statements.

6. INVENTORIES

	GROUP 2022 RM'000	GROUP 2021 RM'000
Non-current		
At lower of cost or net realisable value:		
Properties held for development		
- Freehold land	178,251	144,360
- Leasehold land	163,881	120,686
- Development costs	61,732	55,270
	403,864	320,316
Current		
At lower of cost or net realisable value:		
Completed properties	17,136	20,431
Properties under development		
- Freehold land	10,807	7,898
- Leasehold land	1,061	1,061
- Development costs	39,527	20,439
	68,531	49,829
Total	472,395	370,145

	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Non-current		
At lower of cost or net realisable value:		
Properties held for development		
- Freehold land	17,005	16,945
- Leasehold land	25,346	26,898
- Development costs	568	568
	42,919	44,411
Current		
At lower of cost or net realisable value:		
Completed properties	6,474	7,024
	6,474	7,024
Total	49,393	51,435

(a) Properties held for development

(i) Certain properties held for development of the Group and the Company are charged as security for credit facilities as disclosed in Note 19(ii) to the financial statements as follows:

	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Properties held for development	73,638	73,638	13,619	13,619

(ii) Certain properties held for development of the Group and the Company amounting to RM149.13 million (2021: RM 126.35 million) and RM17.76 million (2021: RM 18.52 million) respectively are pledged as security to IJM Group as disclosed in Note 22 (ii) to the financial statements.

6. INVENTORIES (CONT'D)

(a) Properties held for development (Cont'd)

(iii) The leasehold lands of the Group have remaining lease terms ranging from 72 to 94 years (2021: 73 to 92 years).

(iv) The properties held for development of the Group and the Company amounting to RM8.97 million and RM NIL (2021: RM5.91 million and RM3.63 million) respectively were sold during the financial year and are accordingly recognised as expenses in cost of sales.

(v) The legal titles for certain properties held for development have yet to be transferred to the Group.

(vi) Certain properties held for development of the Group amounting to RM1.22 million (2021: RM1.13 million) are pledged as security to Pengurusan Project Bersistem Sdn. Bhd. as disclosed in Note 19 (ii) to the financial statements.

Pengurusan Project Bersistem Sdn. Bhd. is a related party as disclosed in Note 31(a).

(b) Completed properties

(i) Certain completed properties of the Group amounting to RM0.13 million (2021: RM0.13 million) are pledged as security and earmarked as part of the settlement to IJM Group as disclosed in Note 22(ii) to the financial statements.

(ii) Completed properties of the Group and the Company amounting to RM2.91 million and RM0.49 million (2021: RM0.70 million and RM0.20 million) respectively, were sold during the financial year and are accordingly recognised as an expense in cost of sales.

(iii) The legal titles for certain completed properties have yet to be transferred to the Group.

(iv) Certain completed properties of the Group and Company amounting to RM0.15 million (2021: RM0.76 million) are pledged as security to Pengurusan Project Bersistem Sdn. Bhd. as disclosed in Note 19 (ii) to the financial statements.

Pengurusan Project Bersistem Sdn. Bhd. is a related party as disclosed in Note 31(a).

(v) Certain completed properties of the Group and Company amounting to RM1.08 million (2021: RM1.43 million) which are charged as securities for credit facilities as disclosed in Note 19(i) to the financial statements.

7. INVESTMENT PROPERTIES

	GROUP RM'000
Cost	
At 1 April 2020	283,552
Deconsolidation of a subsidiary	(173,345)
At 31 March 2021/ At 31 March 2022	110,207
Accumulated Depreciation	
At 1 April 2020	96,087
Charge for the financial year	3,401
Deconsolidation of a subsidiary	(81,861)
At 31 March 2021	17,627
Charge for the financial year	984
At 31 March 2022	18,611
Less: Impairment Loss	
At 31 March 2021/31 March 2022	19,102
Carrying Amount	
At 31 March 2021	73,478
At 31 March 2022	72,494

7 INVESTMENT PROPERTIES (CONT'D)

(a) Certain investment properties of the Group amounting to RM47.57 million (2021: RM48.24 million) are charged as security for credit facilities as disclosed in Note 19(ii) to the financial statements.

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

	GROUP	
	2022 RM'000	**2021 RM'000**
Rental income	4,163	5,425
Direct operating expenses:		
- income generating investment properties	(3,891)	(4,017)

(c) **Fair value information**

Fair values of investment properties are categorised as follows:

	Level 1 RM'000	**Level 2 RM'000**	**Level 3 RM'000**	**Total RM'000**
Group				
2022				
Land and buildings	-	-	124,185	124,185
Group				
2021				
Land and buildings	-	-	116,631	116,631

Valuation of investment properties

Level 3 fair value

The fair values of certain investment properties of the Group are derived from references to market indication of recently transacted similar properties or asking prices of those that are currently offered for sale in the vicinity or other comparable localities and were performed by a registered independent valuer with an appropriate recognised professional qualification.

The fair values for certain investment properties of the Group are determined based on sales comparison approach. Sales price of comparable properties in the same location or close proximity are adjusted for differences in key attributes such as property size. The most significant input in this valuation approach is price per square foot of comparable properties.

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

Description	**Valuation technique**	**Significant observable input**	**Relationship of unobservable input to fair value**
Lots in commercial complex	Sales comparison approach	Valuation price per square foot are ranging from RM184 to RM1,151 (2021: RM185 to RM1,151)	The higher the price per square foot, the higher the fair value
Lots in shopping mall	Sales comparison approach	Valuation price per square foot is RM498 (2021: RM449)	The higher the price per square foot, the higher the fair value

8. INVESTMENT IN SUBSIDIARIES AND AMOUNT OWING BY/(TO) SUBSIDIARIES

	COMPANY 2022 RM'000	2021 RM'000
Unquoted shares at cost	399,670	399,670
Deconsolidation of a subsidiary	(65,199)	-
	334,471	399,670
Loans that are part of net investments	451,997	391,711
Less: Accumulated impairment losses		
At 1 April	(320,810)	(305,787)
Additions	(19,224)	(15,023)
Reversals	41,859	-
Deconsolidation of a subsidiary	65,199	-
At 31 March	(232,976)	(320,810)
	553,492	470,571

Loans that are part of net investments represent amounts owing by subsidiaries which are non-trade in nature, unsecured and non-interest bearing. The settlement of these amounts is neither planned nor likely to occur in the foreseeable future as it is the intention of the Company to treat these amounts as a long-term source of capital to the subsidiaries. As these amounts are, in substance, a part of the Company's net investment in the subsidiaries, they are stated at cost less accumulated impairment loss, if any.

(a) Amount owing by/(to) subsidiaries

	COMPANY 2022 RM'000	2021 RM'000
Current		
Amount owing by subsidiaries	245,297	243,273
Less: Accumulated impairment losses		
At 1 April	(241,177)	(241,078)
Additions	(1,772)	(2,118)
Reversals	-	2,019
Transfer from other receivable	(47)	-
At 31 March	(242,996)	(241,177)
	2,301	2,096
Non-current		
Amount owing to subsidiaries	(7,299)	(13,792)
Current		
Amount owing to subsidiaries	(55,998)	(50,905)

The amount owing to subsidiaries classified as non-current are unsecured, interest free and requires a notice of demand for repayment of more than 12 months in order for the Company to settle the indebtedness amount.

The current amount owing by/(to) subsidiaries are unsecured, interest free and repayable on demand.

8. INVESTMENT IN SUBSIDIARIES AND AMOUNT OWING BY/(TO) SUBSIDIARIES (CONT'D)

(b) Non-Controlling Interest ("NCI") in subsidiaries

The financial information of the Group's and the Company's subsidiaries that have material non-controlling interests are as follows:

Equity interest held by non-controlling interests:

Name of company	Principal place of business/country of incorporation	Ownership interest 2022 %	2021 %
Pintar Arif Sdn. Bhd.	Malaysia	2.56	-
Saujana Ukay Sdn. Bhd	Malaysia	49.00	49.00
Seaview Plantations Sdn. Bhd.	Malaysia	30.00	30.00
Larut Talam International Management Services Limited	Hong Kong	0.12	0.12

Carrying amount of material non-controlling interests:

Name of company	2022 RM'000	2021 RM'000
Pintar Arif Sdn. Bhd.	499	-
Seaview Plantations Sdn. Bhd.	1,516	1,623

Profit or loss allocated to material non-controlling interests:

Name of company	2022 RM'000	2021 RM'000
Pintar Arif Sdn. Bhd.	4	-
Seaview Plantations Sdn. Bhd.	(107)	(38)

The summarised financial information (before intra-group elimination) of the Group's and the Company's subsidiaries that have material non-controlling interests are as follows:

	Pintar Arif. Sdn. Bhd	Seaview Plantations Sdn. Bhd.
Summarised statement of financial position As at 31 March 2022		
Assets and liabilities		
Non-current assets	13,505	5,907
Current assets	605	5
Total assets	14,110	5,912
Non-current liabilities	4,198	-
Current liabilities	414	853
Total liabilities	4,612	853
Revenue	-	-*
Profit/(loss) for the year	172	(357)
Total comprehensive loss	172	(357)

* *Represent amount less than RM1,000*

8. INVESTMENT IN SUBSIDIARIES AND AMOUNT OWING BY/(TO) SUBSIDIARIES (CONT'D)

(b) Non-Controlling Interest ("NCI") in subsidiaries (Cont'd)

The summarised financial information (before intra-group elimination) of the Group's and the Company's subsidiaries that have material non-controlling interests are as follows: (Cont'd)

	Pintar Arif. Sdn. Bhd	Seaview Plantations Sdn. Bhd.
Summarised statement of financial position As at 31 March 2022 (Cont'd)		
Other information		
Dividend paid to NCI	-	-

	Seaview Plantations Sdn. Bhd. RM'000
Summarised statement of financial position As at 31 March 2021	
Assets and liabilities	
Non-current assets	5,967
Current assets	4
Total assets	5,971
Current liabilities	555
Total liabilities	555
Revenue	1
Loss for the year	(125)
Total comprehensive loss	(125)
Other information	
Dividend paid to NCI	-

(c) Changes in the composition of the Group

For the financial year ended 31 March 2022

On 31 March 2022, the Group entered into share sale agreements with IJM Properties Sdn. Bhd. to acquire 50% of controlling interests in equity shares of Good Debut Sdn. Bhd. ("GDSB") and Cekap Tropikal Sdn. Bhd. ("CTSB") for a total consideration of RM1 respectively.

On 28 May 2021, a debt owing by Pintar Arif Sdn. Bhd. ("PASB") to the Group amounting to RM9,525,000 was capitalised into 9,525,000 ordinary shares, thus resulting in PASB becoming a subsidiary where the Group has a 97.44% controlling interests in equity shares.

(i) Fair value consideration transferred

	PASB RM'000	GDSB RM'000	CTSB RM'000	Total RM'000
Cash consideration	-	-*	-*	-*

* *Represent amount less than RM1,000*

8. INVESTMENT IN SUBSIDIARIES AND AMOUNT OWING BY/(TO) SUBSIDIARIES (CONT'D)

(c) Changes in the composition of the Group (Cont'd)

For the financial year ended 31 March 2022 (Cont'd)

(ii) Fair value of the identifiable assets acquired and liabilities recognised:

	PASB RM'000	GDSB RM'000	CTSB RM'000	Total RM'000
Assets				
Inventories	23,500	21,000	70,000	114,500
Trade and other receivables	647	6	90	743
Tax recoverable	-	2	-	2
Cash and bank balances	1	311	-	312
Total assets	24,148	21,319	70,090	115,557
Liabilities				
Trade and other payables	14,338	40,043	62,576	116,957
Total liabilities	14,338	40,043	62,576	116,957
Total identifiable net assets/ (liabilities) acquired	9,810	(18,724)	7,514	(1,400)
Goodwill arising from acquisition	-	18,724	-	18,724
Gain on acquisition of subsidiaries	(9,315)	-	(7,514)	(16,829)
Non-controlling interest at fair value	(495)	-	-	(495)
Fair value of consideration transferred	-	-*	-*	-*

* *Represent amount less than RM1,000*

(iii) Effects of acquisition cash flow:

	PASB RM'000	GDSB RM'000	CTSB RM'000	Total RM'000
Consideration paid in cash	-	-*	-*	-*
Less: cash and cash equivalent of subsidiaries acquired	1	311	-	312
Net cash inflows on acquisition	1	311	-	312

* *Represent amount less than RM1,000*

8. INVESTMENT IN SUBSIDIARIES AND AMOUNT OWING BY/(TO) SUBSIDIARIES (CONT'D)

(c) Changes in the composition of the Group (Cont'd)

For the financial year ended 31 March 2022 (Cont'd)

(iv) Effects of acquisition in statements of comprehensive income:

From the date of acquisition, the subsidiary's contributed revenue and profit net of tax are as follows:

	PASB RM'000	GDSB RM'000	CTSB RM'000	Total RM'000
Profit/(Loss) for the financial year	135	-	-	135

If the acquisition had occurred on 1 April 2021, the consolidated results for the financial year ended 31 March 2022 would have been as follows:

	PASB RM'000	GDSB RM'000	CTSB RM'000	Total RM'000
Revenue	-	800	-	800
Profit/(Loss) for the financial year	98	(12,162)	-*	(12,064)

* *Represent amount less than RM1,000*

For the financial year ended 31 March 2021

As notified to Bursa Malaysia on 25 November 2020, the Group was notified on that date that a liquidation order was granted by Jilin Province City of Changchun Intermediate People's Court via a Civil Ruling and was served on Jilin Province Maxcourt Hotel Ltd.("JPMHL") at its office address in Changchun, Jilin Province by Beijing Ding Yuen Group ("the Plaintiff"). Jilin Province Yangtze River Bankruptcy Liquidation Services Co. Ltd was appointed as the administrator of JPMHL. Thus, JPMHL had entered into involuntary liquidation and the Group had lost control over the subsidiary.

(i) The summary effects of the disposal of the investment in subsidiaries on the financial results of the Group are as follows:

	Jilin Province Maxcourt Hotel Limited 2021 RM'000
Revenue	1,215
Cost of sales	-
Gross profit	1,215
Other income	2
Administrative and other expenses	(3,260)
Finance cost	(512)
Loss before taxation	(2,555)
Taxation	-
Loss for the financial year attributable to the Group	(2,555)

8. INVESTMENT IN SUBSIDIARIES AND AMOUNT OWING BY/(TO) SUBSIDIARIES (CONT'D)

(c) Changes in the composition of the Group (Cont'd)

For the financial year ended 31 March 2021 (Cont'd)

(ii) The summary effects of the disposal of the investment in subsidiaries on the financial position of the Group are as follows:

	Jilin Province Maxcourt Hotel Limited 2021 RM'000
Non-current assets	109,221
Current assets	848
Current liabilities	(115,189)
Translation reserve	(48,628)
Minority interest	7,748
Fair value of net liabilities identified	(46,000)
Gain on disposal of a subsidiary	(46,000)
Cash flows	
Less: Cash and cash equivalents of a subsidiary dispossed	(107)
Net cash flow on disposal	(107)

(iii) On 23 September 2020, the Company has disposed 30% of its equity investment in Seaview Plantation Sdn. Bhd. for a total consideration of RM 10 representing total ordinary shares of 1,662,000 ordinary shares. The Company's effective ownership in Seaview Plantation Sdn. Bhd. decreased from 100% to 70% because of the disposal.

9. INVESTMENT IN ASSOCIATES AND AMOUNT OWING BY ASSOCIATES

		GROUP 2022 RM'000	2021 RM'000
Unquoted shares, at cost		25,975	26,485
Less :	Accumulated impairment losses at 1 April/31 March	(5,739)	(5,739)
		20,236	20,746
Share of post-acquisition reserves		(1,875)	(2,333)
		18,361	18,413

9. INVESTMENT IN ASSOCIATES AND AMOUNT OWING BY ASSOCIATES (CONT'D)

(a) Details of the associates are as follows:

Name of Companies	Principal place of business/ country of incorporation	Financial Year End	Effective Equity Interest and Voting Interest 2022 %	2021 %	Nature of relationship
Trident Treasure Sdn. Bhd. ^	Malaysia	31 December	40	40	Property development. The activities contribute to the Group's property development segment
Good Debut Sdn. Bhd.	Malaysia	31 March	-	50	Property development. The activities contribute to the Group's property development segment
Cekap Tropikal Sdn. Bhd.*	Malaysia	31 March	-	50	Property development. The activities contribute to the Group's property development segment
Oaxis Sdn. Bhd. * ^	Malaysia	31 January	25	25	Property development. The activities contribute to the Group's property development segment

* Audited by firms other than Messrs Baker Tilly Monteiro Heng PLT.

^ The financial year end of these associates are not coterminous with the Group. As such, for the purpose of applying equity method of accounting, the management financial statements of these associates for the financial year ended 31 March 2022 have been used.

(b) **Amount owing by associates**

	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Non-current				
Amount owing by associates	23,359	114,146	21,364	111,815
Current				
Amount owing by associates	59	517	-	-
Less: Accumulated impairment losses				
At 1 April	-	-	-	-
Additions	(59)	-	-	-
At 31 March	(59)	-	-	-
	-	517	-	-
Total	23,359	114,663	21,364	111,815

9. INVESTMENT IN ASSOCIATES AND AMOUNT OWING BY ASSOCIATES (CONT'D)

(c) In the previous financial year, the amount owing by an associate of the Group and the Company then of RM29.46 million as at 31 March 2021 was in relation to advances for a property development project. The assessment of impairment losses on these balances required significant judgement to be made by the directors on the expected credit losses. The Group and the Company were of the view at that time that no impairment was required for the amount owing by the associate.

During the current financial year, the Group has completed the acquisition of the remaining 50% equity interest in this associate from IJM Properties Sdn Bhd, thus enabling this associate to become a 100% wholly owned subsidiary of the Group.

As a result of the Covid-19 pandemic, there was minimal work progress at the site during the financial year ended 31 March 2022 due to prolonged lockdowns, frequent site-closures, workers' Covid infections and vaccination and other compliance requirements with government issued standard operating procedures.

The supply chain disruptions further exacerbated the input costs inflation on overall construction costs. In the light of this new major development, the board of the company had presented a revised feasibility study of the project to the Group, with an implementation timeline to coincide with the recovery of the country's economy from the global Covid-19 pandemic. Based on this new appraisal, the Company had accounted for the necessary expected credit losses on amount owing by Good Debut Sdn Bhd in the current financial year accordingly.

(d) The amount owing by associates of the Group and the Company classified as non-current is unsecured and interest bearing at 8% per annum (2021: NIL).

(e) The amount owing by associates classified as current are unsecured, interest free and repayable on demand.

(f) During the financial year, Cekap Tropikal Sdn. Bhd. became a wholly owned subsidiary of the Group.

9. INVESTMENT IN ASSOCIATES AND AMOUNT OWING BY ASSOCIATES (CONT'D)

(f) The Group's share of results of the material associates and the summarised financial information are as follows:

GROUP 2022	**Trident Treasure Sdn. Bhd. RM'000**	**Oaxis Sdn. Bhd. RM'000**	**Total RM'000**
Summary of financial information			
Assets and liabilities			
Non-current assets	43,384	299	43,683
Current assets	266	52,354	52,620
Total assets	43,650	52,653	96,303
Non-current liabilities	21,000	88	21,088
Current liabilities	26,267	46,179	72,446
Total liabilities	47,267	46,267	93,534
Results			
Loss after taxation	(112)	(27)	(139)
Reconciliation of net assets to carrying amount			
Share of the net assets at the acquisition date	8,462	1,624	10,086
Goodwill on acquisition	338	15,551	15,889
Cost of investment	8,800	17,175	25,975
Impairment loss	-	(5,739)	(5,739)
Share of post-acquisition losses	(1,846)	(29)	(1,875)
Carrying amount in the statement of financial position	6,954	11,407	18,361
Group's share of loss			
Group's share of total comprehensive loss	(45)	(7)	(52)
Other information			
Dividend received	-	-	-

9. INVESTMENT IN ASSOCIATES AND AMOUNT OWING BY ASSOCIATES (CONT'D)

(f) The Group's share of results of the material associates and the summarised financial information are as follows: (Cont'd)

GROUP 2021	Trident Treasure Sdn. Bhd. RM'000	Oaxis Sdn. Bhd. RM'000	Other individually immaterial associates RM'000	Total RM'000
Summary of financial information				
Assets and liabilities				
Non-current assets	4,558	299	29,996	34,853
Current assets	39,164	52,394	33,621	125,179
Total assets	43,722	52,693	63,617	160,032
Non-current liabilities	21,000	83	520	21,603
Current liabilities	26,227	46,197	102,714	175,138
Total liabilities	47,227	46,280	103,234	196,741
Results				
Revenue	-	-	600	600
(Loss)/ profit after taxation	(76)	(23)	197	98
Reconciliation of net assets to carrying amount				
Share of the net assets at the acquisition date	8,462	1,624	510	10,596
Goodwill on acquisition	338	15,551	-	15,889
Cost of investment	8,800	17,175	510	26,485
Impairment loss	-	(5,739)	-	(5,739)
Share of post-acquisition losses	(1,801)	(22)	(510)	(2,333)
Carrying amount in the statement of financial position	6,999	11,414	-	18,413
Group's share of loss				
Group's share of total comprehensive loss	(30)	(6)	-	(36)
Other information				
Dividend received	-	-	-	-

9. INVESTMENT IN ASSOCIATES AND AMOUNT OWING BY ASSOCIATES (CONT'D)

(f) The Group's share of results of the material associates and the summarised financial information are as follows: (Cont'd)

In the previous year, the Group had not recognised its share of losses of Good Debut Sdn. Bhd. and Cekap Tropikal Sdn. Bhd. amounting to RM3.73 million and RM16.27 million respectively because the Group's cumulative share of losses had already exceeded its interest in that associate and the Group has therefore no further obligation in respect of their losses. The Group's cumulative accumulated losses not recognised were RM20 million.

10. INTEREST IN JOINT VENTURES AND AMOUNT OWING BY JOINT VENTURE

	GROUP	
	2022 RM'000	**2021 RM'000**
Unquoted shares, at cost	-	10,000
Share of post-acquisition reserves	-	(10,000)
	-	-

(a) Details of the joint ventures, which are incorporated in Malaysia, are as follows:

Name of Company	Principal place of business/ country of incorporation	Financial Year End	Effective Equity Interest 2022 %	Effective Equity Interest 2021 %	Nature of relationship
Sierra Ukay Sdn. Bhd.	Malaysia	31 March	-	50	Property development. The activities contribute to the Group's property development segment

(b) **Changes in the composition of the Group**

On 31 March 2022, the Group had entered into share sale agreements with IJM Properties Sdn. Bhd. to dispose its 50% equity investment in Sierra Ukay Sdn. Bhd. for a total consideration of RM1.

10. INTEREST IN JOINT VENTURES AND AMOUNT OWING BY JOINT VENTURE (CONT'D)

(c) The Group's share of results of the material joint ventures and the summarised financial information are as follows:

GROUP 2021	Sierra Ukay Sdn. Bhd. RM'000
Reconciliation of net assets to carrying amount	
Group's share of net assets	-
Summary of financial information	
Assets and liabilities	
Non-current assets	8,381
Current assets	313,861
Total assets	322,242
Current liabilities	340,075
Total liabilities	340,075
Results	
Revenue	19,865
Loss after taxation	(1,486)
Group's share of loss	
Group's share of loss	(743)
Group's share of total comprehensive loss	(743)
Other information	
Dividend received	-

In the previous financial year, the Group had not recognised its share of losses of Sierra Ukay Sdn. Bhd. which amounted to RM0.74 million because the Group's cumulative share of losses had already exceeded its interest in that joint venture and as such, the Group had no obligation in respect of these losses. The Group's cumulative accumulated losses not recognised were RM23.32 million.

11. OTHER INVESTMENT

	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Current				
Financial assets at fair value through profit or loss ("FVTPL")				
At fair value:				
- Cash management fund investment	69	68	26	26

The cash management fund investment carried at fair value through profit or loss represents an investment in short term variable income instrument issued and managed by an investment management company.

12. TRADE AND OTHER RECEIVABLES

(a) Trade receivables

	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Non-current				
Trade receivables	23,772	25,665	-	-
Current				
Trade receivables	39,657	14,532	405	-
Less:				
Impairment loss				
At 1 April	(5,129)	(5,684)	-	-
Additions	(245)	(402)	-	-
Reversal	9	-	-	-
Written off	-	4	-	
Deconsolidated of a subsidiary	-	953	-	-
At 31 March	(5,365)	(5,129)	-	-
	34,292	9,403	405	-
Total trade receivables (Non-current and current)	58,064	35,068	405	-

(i) Trade receivables are non-interest bearing and the Group's normal trade credit terms ranges from 14 days to 60 days (2021: 14 days to 60 days). Other credit terms are assessed and approved on a case-by-case basis.

(ii) Included in non-current trade receivables of the Group is an amount of RM27.05 million (2021: RM25.67 million) that is to be received on 31 July 2023, 31 March 2025 and 31 July 2025.

(iii) As at 31 March 2022, approximately 92.78% (2021: 94.55%) of the Group's total trade receivables are due from 4 (2021: 3) significant receivables.

(iv) Based on the Group's assessment of the collectability of trade receivables, the directors believe that no further impairment is necessary in respect of trade receivables that are past due but not impaired.

(v) The information about the credit exposures are disclosed in Note 33(b)(i).

(vi) Included in current trade receivables of the Group is an amount of RM14.17 million (2021: RM7.49 million) that is receivables from a company in which certain directors have substantial financial interests as disclosed in Note 31(a), interest bearing at 10% and is to be received by 31 December 2022.

12. TRADE AND OTHER RECEIVABLES (CONT'D)

(b) Other receivables and deposits

	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Current				
Other receivables	104,890	155,319	79,356	43,583
Less:				
Impairment loss				
At 1 April	(66,101)	(56,247)	(41,508)	(41,835)
Additions	(62)	(12,814)	-*	-
Reversals	2,326	2,360	2,324	2,327
Written off	10,903	-	-	-
Acquisition of a subsidiary	(2,002)	-	-	-
Deconsolidated of a subsidiary	-	600	-	-
Transfer from amount owing by a subsidiary	-	-	-	(2,000)
Transfer to amount owing by a subsidiary	47	-	47	-
At 31 March	(54,889)	(66,101)	(39,137)	(41,508)
	50,001	89,218	40,219	2,075
Refundable deposits	17,116	16,995	1,035	1,035
Less:				
Impairment losses at 1 April/31 March	(15,781)	(15,781)	(1,034)	(1,034)
	1,335	1,214	1	1
Total other receivables and deposits	51,336	90,432	40,220	2,076

* *Represent amount less than RM1,000*

(i) Included in current other receivables of the Group are miscellaneous charges receivable from house purchasers of RM0.11 million (2021: RM0.11 million).

(ii) Included in current other receivables of the Group and the Company is an amount of RM38.22 million that is being held in trust by a director of the Company which is in relation to the proceeds from the disposal of Jilin Province Maxcourt Hotel Ltd ("JPMHL"). The amount has been received by the Group and the Company subsequent to the financial year end.

(iii) In the previous financial year, the other current receivable of RM67.63 million by the Group was in relation to previous advances to JPMHL that was under liquidation. The assessment of expected credit losses on this balance required significant judgements to be made by the directors. The valuation of investment properties conducted by the China administrative was much higher than the net book value of the investment properties. Accordingly, the Group was then of the view that no impairment was required for this receivable.

During the current financial year, JPMHL's 15% shareholder, Jilin Provincial Expressway Group Company Limited ("JPEGCL") had proposed to the Group its intention to implement a debt restructuring exercise to safeguard the rights and interest of both parties. Since this proposal will provide certainty as to the amount of disposal proceeds and accelerate the timing of receiving the cash payment, the directors has decided to accept this offer to dispose it's 85% equity interest in JPMHL and assign its creditor's rights for a total cash consideration sum of RMB72.74 million.

During the financial year, the Group had completed its disposal of 85% equity investment in JPMHL to JPEGCL for a net consideration of RM45.42 million, which has already been received in full and the deficit of RM22.21 million was written off.

13. CONTRACT ASSETS/(LIABILITIES)

	GROUP 2022 RM'000	2021 RM'000
Contract assets relating to construction service contracts	17	1,437
Total contract assets	17	1,437
Contract liabilities relating to construction services contracts	22	4
Total contract liabilities	22	4

The contract assets primarily relate to the Group's right to consideration for work completed on construction contracts but not yet billed at the reporting date. Typically, the amount will be billed within 30 days and payment is expected within 60 days.

The contract liabilities primarily related to the advance consideration received from a customer for construction contract, where revenue is recognised overtime during the construction of a building. The contract liabilities are expected to be recognised as revenue over a year of 90 days.

Significant changes to contract assets and contract liabilities balances during the year are as follows:

	GROUP 2022		2021	
	Contract assets Increase/ (decrease) RM'000	Contract liabilities (Increase)/ decrease RM'000	Contract assets Increase/ (decrease) RM'000	Contract liabilities (Increase)/ decrease RM'000
Revenue recognised that was included in contract liability at the beginning of the financial year	-	4	-	470
Increases due to consideration received but revenue not recognised	-	(22)	-	(4)
Transfer from contract assets recognised at the beginning of the year to receivables	(1,437)	-	(63)	-
Increase due to revenue recognised for unbilled goods or services transferred to customers	17	-	1,437	-

14. SINKING FUNDS HELD BY TRUSTEES

The sinking funds are held by trustees for the redemption and/ or servicing of credit facilities.

15. CASH AND BANK BALANCES

	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Housing development accounts ("HDA")	51	51	-	-
Deposits with licensed banks	1,460	1,404	-	-
Cash in hand and bank balances	2,472	1,768	446	286
Cash and cash equivalents	3,983	3,223	446	286

The housing development accounts of the Group are maintained pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966. These accounts, which consist of monies received from purchasers, are for the payment of property development costs incurred and are restricted from use in other operations. The surplus monies, if any, will be released to the Group upon the completion of the development projects and after all development costs have been fully settled.

16. SHARE CAPITAL

	GROUP AND COMPANY			
	Number of shares 2022 '000 unit	Number of shares 2021 '000 unit	Amounts 2022 RM'000	Amounts 2021 RM'000
Issued and fully paid-up:				
At 1 April/31 March	4,295,280	4,295,280	859,086	859,086

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

17. TREASURY SHARES

	GROUP AND COMPANY			
	2022 '000 unit	2021 '000 unit	2022 RM'000	2021 RM'000
Ordinary shares	2,636	2,636	(493)	(493)

18. RESERVES

		GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Capital reserves:					
Other capital reserve	(a)	792	792	-	-
Foreign exchange reserve	(b)	8	8	-	-
Total capital reserves		800	800	-	-
Accumulated losses		(583,269)	(578,426)	(544,087)	(588,626)
		(582,469)	(577,626)	(544,087)	(588,626)

(a) Other capital reserve

The capital reserve represents the capitalisation of retained earnings for bonus issue of ordinary shares by subsidiaries.

18. RESERVES (CONT'D)

(b) Foreign exchange reserve

The foreign capital reserve arose from the translation of the financial statements of foreign subsidiaries and is not distributable by way of dividends.

19. BORROWINGS

	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
(a) Long term borrowings				
Secured:				
BaIDS (Note 19(i))	-	40,008	-	40,008
Term and bridging loans (Note 19(ii))	500	32,200	-	3,500
Lease liabilities (Note 19(iii))	153	280	153	280
	653	72,488	153	43,788
(b) Short term borrowings				
Secured:				
BaIDS (Note 19(i))	40,008	-	40,008	-
Term and bridging loans (Note 19(ii))	31,985	-	2,500	-
Lease liabilities (Note 19(iii))	126	114	126	114
	72,119	114	42,634	114
Total Borrowings	72,772	72,602	42,787	43,902

The Group's and of the Company's borrowings are denominated in Ringgit Malaysia.

(i) Al-Bai Bithaman Ajil Islamic Debt Securities ("BaIDS")

The 10-year BaIDS was issued at 100% of its nominal value on 29 June 2009 and bears the following profit rates:

Year	Profit rate (per annum)
Year 1 - 3	Not applicable
Year 4 - 5	2%
Year 6 - 8	6%
Year 9	8%
Year 10	9%

The BaIDS of the Company consist of non-interest bearing primary notes together with non-detachable secondary notes. The redemption of the primary notes shall be made on 100% of its nominal value at maturity date while the redemption of the secondary notes shall be made on a semi-annual basis throughout the tenure of the BaIDS.

The BaIDS is secured by assets of the Group as disclosed in Note 6(b)(v) to the financial statements.

On 27 August 2020, the BaIDS's holders via an Extraordinary General Meeting have approved for the issuer to extend maturity date of the Settlement BaIDS for a further 18 months. Consequently, this amount will be due on 28 June 2022.

(ii) The term and bridging loans are secured on the assets of the Group as disclosed in Note 6(a)(i) and Note 7(a) to the financial statements. On 26 May 2022, TA First Credit Sdn. Bhd. had resolved to extend the facility of RM29.5 million by 12 months to 31 May 2023.

Included in the term and bridging loans is an amount of RM3 million (2021: RM3.5 million) which is secured on the assets of the Group as disclosed in Note 6(a)(vi) and Note 6(b)(iv) to the financial statements. Pengurusan Projek Bersistem Sdn. Bhd. is a related party and the nature of the relationship is disclosed in Note 31(a) to the financial statements.

19. BORROWINGS (CONT'D)

(iii) Lease liabilities

	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Future minimum finance lease payments				
- not later than one year	131	131	131	131
- later than one year and not later than two years	131	131	131	131
- later than two years but not later than five years	32	163	32	163
	294	425	294	425
Future interest charges	(15)	(31)	(15)	(31)
Present value of finance lease liability	279	394	279	394
Represented by:				
Current				
- not later than one year	126	114	126	114
Non-current				
- later than one year and not later than two years	136	121	136	121
- later than two years but not later than five years	17	159	17	159
	153	280	153	280
	279	394	279	394

The lease liability is effectively secured on the rights of the assets.

(iv) The range of effective interest and profit rates during the financial year for borrowings are as follows:

	GROUP 2022 %	GROUP 2021 %	COMPANY 2022 %	COMPANY 2021 %
Term and bridging loans	8.00 - 12.00	8.00 - 12.00	8.00	8.00
Lease liabilities	2.28 - 2.80	2.28 - 2.80	2.28 - 2.80	2.28 - 2.80
BaIDS	9.00	9.00	9.00	9.00

20. TRADE PAYABLES

	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Current				
Trade payables	45,701	38,760	24,484	24,543
Retention sum	5,653	3,882	3	4
Accrual	1,543	1,630	1,543	1,543
	52,897	44,272	26,030	26,090

20. TRADE PAYABLES (CONT'D)

(a) Included in trade payables of the Group and the Company is an amount of RM23.69 million (2021: RM23.69 million) owing to Menteri Besar Selangor (Incorporated) ("MBSI"). There are on-going negotiations between the Group and MBSI in respect of some replacement lands that MBSI had previously promised to the Group. The amount due to MBSI will be settled only upon the finalisation of these negotiations.

(b) The normal trade credit terms granted to the Group ranges from 30 days to 90 days (2021: 30 days to 90 days).

(c) Included in trade payables of the Group is an amount of RM10.46 million which is interest bearing at 8% per annum and is to be paid by 31 December 2022.

21. PROVISION FOR LIABILITIES

GROUP	Provision for Cost to Completion of Project 2022 RM'000	 2021 RM'000
At 31 March	731	731

Provision for cost to completion of project is recognised in respect of probable outflow of resources related to a development project undertaken by a subsidiary.

22. OTHER PAYABLES AND ACCRUED EXPENSES

	GROUP 2022 RM'000	 2021 RM'000	COMPANY 2022 RM'000	 2021 RM'000
Non-current				
Other payables	212,028	219,448	207,830	219,448
Current				
Other payables	46,204	49,942	10,932	11,131
Accrued expenses	38,709	38,624	3,040	3,619
	84,913	88,566	13,972	14,750
Total other payables	296,941	308,014	221,802	234,198

Included in other payables and accrued expenses of the Group and of the Company are the following:

		GROUP 2022 RM'000	 2021 RM'000	COMPANY 2022 RM'000	 2021 RM'000
Accrued interest expenses	(i)	1,050	917	1,048	917
Amount payable to authorities in relation to development project		6,676	6,062	711	357
Amount payable to IJM Group	(ii)	207,830	219,448	207,830	219,448
Amount payable to director	(iii)	427	222	222	222
Refundable deposit received from purchasers of properties and tenants of complexes		1,756	1,780	29	18
Advance from Puan Sri Datin Thong Nyok Choo	(iv)	148	338	-	200
Advance from developer	(v)	3,516	3,183	-	-

22. OTHER PAYABLES AND ACCRUED EXPENSES (CONT'D)

(i) The accrued interest expenses are in respect of the secured BaIDS and term loans.

(ii) The amount payable to IJM Group is interest bearing at 6.50% per annum (2021: 6.50%) and is secured on the assets of the Group as disclosed in Note 6(a)(ii) and Note 6(b)(i) to the financial statements.

Under non-current other payables, there is an amount payable to IJM Group of RM207.83 million (2021: RM219.45 million). The Group had entered into a partial settlement arrangement with IJM Group to settle the amount owing to IJM Group by 21 May 2024 via contra of properties and/or in cash.

During the financial year, IJM Group had waived interest amounting to RM27 million.

(iii) The amount payable to a director of the Company is unsecured, interest free and is payable on demand.

(iv) The amount payable to Puan Sri Datin Thong Nyok Choo, the spouse of director Tan Sri Dato' (Dr) Ir Chan Ah Chye @ Chan Chong Yoon is unsecured, interest free and payable on demand.

(v) The advance from developer is unsecured, interest bearing at 12% per annum (2021: 8%) and is payable by 21 June 2022.

23. REVENUE

	GROUP		COMPANY	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Revenue from contract customers:				
(i) Recognised at a point in time				
Sale of land	27,709	13,489	1,215	6,391
Sale of inventories	4,939	1,135	954	548
Management fees and charges to third parties	8	65	-	-
(ii) Recognised over time				
Construction revenue	29,707	17,971	-	-
	62,363	32,660	2,169	6,939
Revenue from other sources:				
Rental income from investment properties	4,163	5,425	-	-
Other revenue	2	1	-	-
	4,165	5,426	-	-
	66,528	38,086	2,169	6,939

For contracts that exceed one year, the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as at the end of this financial year is RM52.21 million, which the Group expects to recognise as revenue in 2023 and subsequent years.

24. COST OF SALES

	GROUP		COMPANY	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Construction cost	28,681	17,090	-	-
Cost of rental	3,891	4,017	-	-
Cost of land	8,970	5,907	-	3,625
Cost of inventories sold	2,912	700	490	207
Others	137	99	18	89
	44,591	27,813	508	3,921

25. FINANCE INCOME AND COSTS

	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Finance Income:				
Interest income	1,401	124	1,365	1
Amortisation of financial instrument	12,020	3,812	10,065	-
	13,421	3,936	11,430	1
Finance cost:				
Interest expenses on:				
- term and bridging loans	5,160	3,758	432	84
- other borrowings	14,322	13,852	14,322	13,339
- finance lease liability	16	22	16	22
	19,498	17,632	14,770	13,445
Amortisation of financial instrument	629	2,356	479	2,385
Profit on Islamic debt securities	3,591	3,585	3,591	3,585
	23,718	23,573	18,840	19,415

26. INCOME TAX EXPENSE

	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Income tax:				
- current financial year	3,177	25	-	-
- prior financial year	26	(7)	23	-
	3,203	18	23	-

Income tax is calculated at the statutory rate of 24% of the estimated taxable profit for the financial year.

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

	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
(Loss)/profit before tax:	(1,743)	(30,882)	44,562	(48,118)
Taxation at Malaysian statutory tax rate of 24% (2021: 24%)	(418)	(7,412)	10,695	(11,548)
Income not subject to tax	(10,805)	(2,397)	(20,521)	(1,476)
Expenses not deductible for tax purposes	17,221	4,986	9,785	10,465
Origination of deferred tax assets not recognised in the financial statements	(2,833)	4,839	41	2,559
Share of results of associates	12	9	-	-
Overprovision of income tax expense in prior financial year	26	(7)	23	-
Tax expense for the financial year	3,203	18	23	-

26. INCOME TAX EXPENSE (CONT'D)

Deferred tax assets have not been recognised in respect of the following items:

	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Deductible/(Taxable) temporary differences	6,656	5,817	(337)	(505)
Unused tax losses	155,276	167,919	37,690	37,690
	161,932	173,736	37,353	37,185
Potential deferred tax assets not recognised @ 24%	38,864	41,697	8,965	8,924

The unutilised tax losses of the Company and individual companies within the Group are available to be carried forward for a maximum year of 10 years from the year of assessment 2018 or year in which the losses arose, whichever is later, for offset against future profits of the respective companies. As such, they will expire in the following financial years.

	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Year of assessments				
2028	103,932	120,850	8,025	8,025
2029	34,777	34,777	28,736	28,736
2030	7,618	7,618	929	929
2031	4,674	4,674	-	-
2032	4,275	-	-	-
	155,276	167,919	37,690	37,690

27. (LOSS)/PROFIT FOR THE FINANCIAL YEAR

	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
(Loss)/profiit before tax is arrived at:				
Auditors' remuneration:				
- current year	397	409	204	226
- (over)/under accrual in prior years	(35)	19	(50)	-
Bad debts written off	22,209	-	9	-
Depreciation of:				
- property, plant and equipment	249	250	168	168
- investment properties	984	3,401	-	-
Impairment loss on:				
- investment in subsidiaries	-	-	19,224	15,023
- investment properties	-	19,102	-	-
- amount owing by subsidiaries	-	-	1,772	2,118
- amount owing by associate	59	-	-	-
- receivables - trade	245	402	-	-
- receivables - non trade	62	12,814	-*	-
- other investment	-	2	-	-
Inventories written down	2,032	7,237	1,552	7,189
Loss on acquisition of subsidiaries	1,895	-	-	-
Staff costs:				
- wages and salaries	2,977	3,792	-	-
- social security	53	60	-	-
- defined contribution	397	501	-	-
- other staff related expenses	256	100	-	-

27. (LOSS)/PROFIT FOR THE FINANCIAL YEAR (CONT'D)

	GROUP		COMPANY	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
(Loss)/profiit before tax is arrived at: (Cont'd)				
Gain on deconsolidation of subsidiaries	-	(46,000)	-	-
Gain on disposal of joint venture	-*	-	-	-
(Gain)/loss on financial assets at amortised cost	(11,076)	(1,456)	(10,065)	2,356
(Gain)/loss on financial liabilities at amortised cost	(315)	-	479	30
Impairment loss no longer required:				
- investment in subsidiaries	-	-	(41,859)	-
- receivables - trade	(9)	-	-	-
- receivables - non trade	(2,326)	(2,360)	(2,324)	(2,327)
- amount owing by subsidiaries	-	-	-	(2,019)
Realised gain on foreign exchange	(508)	-	(508)	-
Unrealised gain on foreign exchange	-	(1,403)	-	-
Waiver of debt	(27,000)	-	(31,253)	-

* *Represent amount less than RM1,000*

28. LOSS PER SHARE

(a) Basic loss per ordinary share

Basic loss per share is calculated by dividing the loss for the financial year attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the financial year, excluding treasury shares held by the Company.

	GROUP	
	2022 RM'000	2021 RM'000
Loss for the financial year attributable to owners of the Company (RM'000)	(4,843)	(30,479)
Weighted average number of shares (Units'000)	4,292,644	4,292,644
Basic loss per share (sen)	(0.11)	(0.71)

(b) Diluted loss per ordinary share

The Group has no potential dilutive of ordinary shares. As such, there is no dilution effect on the (loss)/profit per share of the Group.

29. DIRECTORS' REMUNERATION

	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Directors of the Company:				
Executive directors:				
- Fees	75	75	75	75
- Salaries	546	592	546	592
- Defined contribution	66	71	66	71
- Other emoluments	4	2	4	2
- Benefits-in-kind	22	24	22	24
	713	764	713	764
Non-executive directors:				
- Fees	100	100	100	100
- Other emoluments	231	223	231	223
	331	323	331	323
	1,044	1,087	1,044	1,087
Directors of subsidiaries:				
Salaries	124	336	-	-
Defined contribution	16	41	-	-
Other emoluments	2	23	-	-
	142	400	-	-
Total	1,186	1,487	1,044	1,087

The numbers of directors of the Group and the Company whose total remuneration during the financial year fall within the following bands are as follows:

	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Executive directors:				
RM450,001 - RM500,000	-	-	-	-
RM400,001 - RM450,000	-	-	-	-
RM350,001 - RM400,000	-	-	-	-
RM300,001 - RM350,000	-	2	-	2
RM250,001 - RM300,000	2	-	2	-
RM200,001 - RM250,000	-	-	-	-
RM150,001 - RM200,000	-	-	-	-
RM100,001 - RM150,000	1	1	1	1
Below RM100,000	2	3	-	-
Non-Executive directors:				
RM150,001 - RM200,000	-	-	-	-
RM100,001 - RM150,000	-	1	-	1
Below RM100,000	4	3	4	3
	9	10	7	7

30. SUBSIDIARIES

Details of subsidiaries are as follows:

Name of Companies	Principal place of business/ country of incorporation	Effective Equity Interest and Voting Interest 2022 %	2021 %	Principal Activities
Abra Development Sdn. Bhd.	Malaysia	100	100	Property development and investment holding
Biltradex Sdn. Bhd.	Malaysia	100	100	Property development and investment holding
Bukit Khazanah Sdn. Bhd.	Malaysia	100	100	Property development and investment holding
Cekap Tropikal Sdn. Bhd. *	Malaysia	100	-	Property development
Envy Vista Sdn. Bhd.	Malaysia	100	100	Dormant
Era-Casa Sdn. Bhd.	Malaysia	100	100	Investment holding
Europlus Berhad	Malaysia	100	100	Investment holding and property development
G.L. Development Sdn. Bhd.	Malaysia	100	100	Property investment and development
Good Debut Sdn. Bhd.	Malaysia	100	-	Property development
Inti Johan Sdn. Bhd.	Malaysia	100	100	Property investment and management
Lambang Wira Sdn. Bhd.	Malaysia	100	100	Investment holding
Larut Management Services Sdn. Bhd.	Malaysia	100	100	Investment holding
Larut Overseas Ventures Sdn. Bhd.	Malaysia	100	100	Investment holding
L.C.B. Management Sdn. Bhd.	Malaysia	100	100	Provision of management services and construction

30. SUBSIDIARIES (CONT'D)

Details of subsidiaries are as follows: (Cont'd)

Name of Companies	Principal place of business/ country of incorporation	Effective Equity Interest and Voting Interest 2022 %	2021 %	Principal Activities
Maxisegar Realty Sdn. Bhd.	Malaysia	100	100	Dormant
Mutual Prosperous Sdn. Bhd.	Malaysia	100	100	Investment holding and money lending
Pandan Lake Club Sdn. Bhd.	Malaysia	100	100	Dormant
Pintar Arif Sdn. Bhd.	Malaysia	97.44	-	Property development
SV Bio Farm Sdn Bhd @	Malaysia	-	70	Not yet commenced business operation
Seaview Plantations Sdn. Bhd.	Malaysia	70	70	Property development, investment holding and agriculture.
Saujana Ukay Sdn. Bhd.	Malaysia	51	51	Dormant
Talam Leisure Development Sdn. Bhd.	Malaysia	100	100	Property development and investment holding
Talam Management Services Sdn. Bhd. @	Malaysia	-	100	Dormant
Talam Plantations Sdn. Bhd.	Malaysia	100	100	Investment holding
Terang Tanah Sdn. Bhd.	Malaysia	100	100	Investment holding
Untung Utama Sdn. Bhd.	Malaysia	100	100	Property development
Venue Venture Sdn. Bhd.	Malaysia	100	100	Investment holding, property investment and management
Winax Development Sdn. Bhd.	Malaysia	100	100	Investment holding
Winax Engineering Sdn. Bhd.	Malaysia	100	100	Investment holding
Zhinmun Sdn. Bhd.	Malaysia	100	100	Property development
Zillion Development Sdn. Bhd.	Malaysia	100	100	Property investment and development

30. SUBSIDIARIES (CONT'D)

Details of subsidiaries are as follows: (Cont'd)

Name of Companies	Principal place of business/ country of incorporation	Effective Equity Interest and Voting Interest 2022 %	2021 %	Principal Activities
Larut Talam International Management Services Limited *	Hong Kong	99.88	99.88	Dormant
Malim Enterprise (HK) Limited * [1]	Hong Kong	100	100	Investment holding
Noble House Investments Limited * [2]	Hong Kong	100	100	Dormant
Parkgrove Limited * [2]	Hong Kong	100	100	Dormant

@ The subsidiary is in process of striking off from the register of companies by the Companies Commission of Malaysia.

* Audited by firms other than Messrs Baker Tilly Monteiro Heng PLT.

[1] The auditors' reports of the subsidiary for the financial year ended 31 March 2022 contain a qualified opinion on the financial statements in view of the following:

- non preparation of group financial statements

[2] The auditors' reports of these subsidiaries for the financial year ended 31 March 2022 contain a qualified opinion on these financial statements in view of the following:

- existence and ownership of associates
- no equity accounting for investment in associates

31. SIGNIFICANT RELATED PARTY TRANSACTIONS

During the financial year under review, the significant related party transactions were as follows:

(a) Transactions with related parties

	GROUP		COMPANY	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Interest expense paid/ payable:				
- Pengurusan Projek Bersistem Sdn. Bhd.	269	84	269	84
Progress billing received/receivable:				
- Wonderful Insight Sdn. Bhd.	16,199	11,094	-	-

The nature of the relationship with the related parties is as follows:

Related Parties	Nature of Relationship
Pengurusan Projek Bersistem Sdn. Bhd. ("PPBSB")	PPBSB is a corporate shareholder of the Company. Tan Sri Dato' (Dr.) Ir. Chan Ah Chye @ Chan Chong Yoon ("TSDCAC"), a director of the Company and his spouse, Puan Sri Datin Thong Nyok Choo ("PSDTNC"), are both substantial shareholders of the Company, have substantial financial interest in PPBSB.
Wonderful Insights Sdn. Bhd. ("WISB")	Yaw Chun Soon ("YCS") is a director and shareholder of the Company. YCS is also a director and substantial shareholder of WISB. Chua Kim Lan ("CKL") is a director and shareholder of the Company. Her spouse, Chin Chee Ming is a substantial shareholder of WISB.

31. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D)

(b) Key management personnel compensation

The remuneration of key management personnel, which includes the directors' remuneration, is disclosed as follows:

	GROUP		COMPANY	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Directors of the Company:				
Fees	175	175	175	175
Salaries	546	592	546	592
Defined contribution	66	71	66	71
Other emoluments	235	225	235	225
Benefits-in-kind	22	24	22	24
	1,044	1,087	1,044	1,087
Directors of subsidiaries:				
Salaries	124	336	-	-
Defined contribution	16	41	-	-
Other emoluments	2	23	-	-
	142	400	-	-
Total	1,186	1,487	1,044	1,087
Included in the staff costs:				
Key Management Personnel other than Directors:				
Salaries and other emoluments	477	585	-	-
Defined contribution	57	68	-	-
	534	653	-	-

32. CAPITAL MANAGEMENT

The primary objective of the Group's capital management practice is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholder value as well as to enable the Group to continue as going concern. To achieve this, the Group ensures that an optimal capital structure is maintained. The Group yearically reviews and manages its capital structure and makes adjustments to it, in light of changes in economic conditions.

The directors monitor and determine the optimal debt to equity ratio that complies with the debt covenants. No changes were made in the objectives, policies or processes during the financial year ended 31 March 2022 and 31 March 2021.

	GROUP		COMPANY	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Borrowings	72,772	72,602	42,787	43,902
Less: Cash and bank balances	(3,983)	(3,223)	(446)	(286)
Net debts	68,789	69,379	42,341	43,616
Equity attributable to owners of the Company	276,124	280,967	314,506	269,967
Net gearing ratio (times)	0.25	0.25	0.13	0.16

The Group is also required to comply with the disclosure and necessary capital requirements as prescribed in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

33. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned:

(i) Fair value through profit or loss ("FVPL")
(ii) Amortised cost

	Carrying Amount RM'000	Amortised Cost RM'000	FVPL RM'000
2022			
Financial assets			
GROUP			
Amount owing by associates	23,359	23,359	-
Trade and other receivables	109,400	109,400	-
Sinking funds held by trustees	398	398	-
Other investment	69	-	69
Cash and bank balances	3,983	3,983	-
	137,209	137,140	69
COMPANY			
Amount owing by subsidiaries	2,301	2,301	-
Amount owing by associates	21,364	21,364	-
Trade and other receivables	40,625	40,625	-
Sinking funds held by trustees	398	-	398
Other investment	26	-	26
Cash and bank balances	446	446	-
	65,160	64,736	424
Financial liabilities			
GROUP			
Trade and other payables	349,838	349,838	-
Borrowings	72,772	72,772	-
	422,610	422,610	-
COMPANY			
Trade and other payables	247,832	247,832	-
Amount owing to subsidiaries	63,297	63,297	-
Borrowings	42,787	42,787	-
	353,916	353,916	-

33. FINANCIAL INSTRUMENTS (CONT'D)

(a) Categories of financial instruments (Cont'd)

	Carrying Amount RM'000	Amortised Cost RM'000	FVPL RM'000
2021			
Financial assets			
GROUP			
Amount owing by associates	114,663	114,663	-
Trade and other receivables	125,500	125,500	-
Sinking funds held by trustees	4	4	-
Other investment	68	-	68
Cash and bank balances	3,223	3,223	-
	243,458	243,390	68
COMPANY			
Amount owing by subsidiaries	2,096	2,096	-
Amount owing by associates	111,815	111,815	-
Trade and other receivables	2,076	2,076	-
Sinking funds held by trustees	4	-	4
Other investment	26	-	26
Cash and bank balances	286	286	-
	116,303	116,273	30
Financial liabilities			
GROUP			
Trade and other payables	352,286	352,286	-
Borrowings	72,602	72,602	-
	424,888	424,888	-
COMPANY			
Trade and other payables	260,288	260,288	-
Amount owing to subsidiaries	64,697	64,697	-
Borrowings	43,902	43,902	-
	368,887	368,887	-

(b) Financial risk management

The Group's and the Company's activities are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, foreign currency risk, market price risk and operational risk. The Group's and the Company's overall financial risk management objective is to optimise value for their shareholders. The Group and the Company do not trade in financial instruments.

The Board of Directors reviews and agrees to policies and procedures for the management of these risks, which are executed by the Group's senior management. The audit committee provides independent oversight to the effectiveness of the risk management process.

33. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(i) Credit Risk

Credit risk is the risk of financial loss to the Group and the Company that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group and the Company are exposed to credit risk from its receivables and amount owing by associates. The Group and the Company have a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures.

Trade receivables and contract assets

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

In determining the recoverability of these receivables, the Group and the Company consider any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date. Receivables are monitored on a going concern basis via Group's management reporting procedures and action will be taken for long outstanding debt. Majority of the receivables are from property development segment. The credit risk is limited as the ownership and rights to the properties revert to the Group in the event of default.

Credit risk concentration profile

The Group and the Company determine the credit risk concentration of its trade receivables and contract assets by industry sector profile on an ongoing basis. The credit risk concentration profile of the Group's and the Company's trade receivables and contract assets at the reporting date are as follows:

	GROUP		COMPANY	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Property development	40,303	25,692	405	-
Property investment and management	709	536	-	-
Construction	17,052	8,840	-	-
	58,064	35,068	405	-

Recognition and measurement of impairment losses

In managing credit risk of trade receivables, the Group and the Company manage its debtors and take appropriate actions (including but not limited to legal actions) to recover long overdue balances.

For construction contracts, as there are only a few customers, the Group assessed the risk of loss of each customer individually based on their financial information, past trend of payments and external credit ratings, where applicable. All of these customers have low risk of default.

The Group and the Company apply the simplified approach to providing for impairment losses prescribed by MFRS 9, which permits the use of the lifetime expected credit loss provision for all trade receivables and contract assets. To measure the impairment losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The impairment losses also incorporate forward looking information.

33. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(i) Credit Risk (Cont'd)

Trade receivables and contract assets (Cont'd)

Recognition and measurement of impairment losses (Cont'd)

Ageing analysis of the Group's and of the Company's trade receivables are as follow:

	GROUP		COMPANY	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Neither past due nor impaired	56,658	28,557	405	-
Past due but not impaired				
1-30 days past due	913	2,536	-	-
31-60 days past due	77	1,292	-	-
61-90 days past due	84	96	-	-
91-120 days past due	90	13	-	-
more than 121 days past due	5,607	7,703	-	-
	6,771	11,640	-	-
Impaired Individually	(5,365)	(5,129)	-	-
	58,064	35,068	405	-

Other receivables and other financial assets

For other receivables and other financial assets, the Group and the Company minimise credit risk by dealing exclusively with good credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables and other financial assets is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting year. To assess whether there is a significant increase in credit risk the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

Refer to Note 3.11(a) for the Group's and the Company's other accounting policies for impairment of financial assets.

Inter-company loans and advances

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

At the reporting date, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

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

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

33. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(ii) Liquidity Risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities between financial assets and liabilities, principally from trade and other payables, loan and borrowings.

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met on timely basis. In addition, the Group and the Company maintain sufficient level of cash and available financing facilities at a reasonable level to its overall debt position to meet their working capital requirement.

The following summarises the maturity profile of the Group's and of the Company's liabilities at the reporting date on contractual undiscounted repayment obligations:

GROUP	Carrying Amount RM'000	Contractual Cashflow RM'000	On demand / within one year RM'000	Two to five years RM'000
2022				
Trade and other payables	349,838	379,749	138,500	241,249
Borrowings	72,493	74,049	73,507	542
Lease liabilities	279	294	131	163
Total undiscounted financial liabilities	422,610	454,092	212,138	241,954
2021				
Trade and other payables	352,286	368,177	133,093	235,084
Borrowings	72,208	80,493	-	80,493
Lease liabilities	394	425	131	294
Total undiscounted financial liabilities	424,888	449,095	133,224	315,871

33. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(ii) Liquidity Risk (Cont'd)

COMPANY	Carrying Amount RM'000	Contractual Cashflow RM'000	On demand / within one year RM'000	Two to five years RM'000
2022				
Trade and other payables	247,832	276,738	40,002	236,736
Borrowings	42,508	43,460	43,460	-
Lease liabilities	279	294	131	163
Amount owing to subsidiaries	63,297	63,841	55,998	7,843
Total undiscounted financial liabilities	353,916	384,333	139,591	244,742
2021				
Trade and other payables	260,288	275,925	40,841	235,084
Borrowings	43,508	48,349	-	48,349
Lease liabilities	394	425	131	294
Amount owing to subsidiaries	64,697	65,720	50,906	14,814
Total undiscounted financial liabilities	368,887	390,419	91,878	298,541

Despite the uncertainty in the property development market, the Group will endeavour to undertake all necessary measures to mitigate the adverse effects on the liquidity position of the Group.

The Group has prepared a cash flow forecast to consider the availability of unutilised funding facilities in supporting the management of liquidity risk that the Group will have sufficient financial resources for a year of at least 12 months from the end of the financial year. Significant assumptions and judgement are used in the preparation of the cash flow forecast.

The Group will dispose of its excess land, if the need arises, to generate cash to meet its obligations.

Besides current development projects, cash will be generated by joint venture projects undertaken with other reputable corporations.

(iii) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group maintains a natural hedge, where possible, by borrowing in the currency of the country in which the investment is located or by borrowing in currencies that match the future revenue stream to be generated from its investment.

Where the Group's operations are overseas, the funding is sourced in that local currency in which the operations are carried out to hedge against any foreign exchange fluctuation.

No sensitivity analysis for foreign currency risk is prepared at the end of reporting year as the Group does not have significant exposure to foreign currency risk.

33. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(iv) Market Risk

The market risk arises from changes in the state of domestic property prices, the cost of building materials, availability of labour and other related cost in property development.

The Group concentrates on development projects in carefully selected locations and this has resulted in resilience against softening of the property sector.

(v) Operational Risk

The operational risk arises from the daily activities of the Group as a property developer and contractor which includes legal, credit, reputation and financing risk and other risks associated to daily running of its business operations.

Such risks are mitigated through proper authority levels of approvals limits, clear reporting structure, segregation of duties, policies and procedures implemented and yearic management meetings.

In dealing with its stewardship, the Board of Directors recognises that effective risk management is an integral part of good business practice.

The Board of Directors will pursue an on-going process of identifying, assessing and managing key business areas, overall operational and financial risks faced by the business units as well as regularly review and enhancing risk mitigating strategies with its appointed and key management personnel.

33. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair value measurement

The carrying amounts at cash and cash equivalents, sinking funds held by trustee, short-term receivables and payables and short-term borrowings reasonably approximately their fair values due to the relatively short-term nature at these financial instruments.

There have been no transfers between level 1 and level 2 during the financial year (2021: no transfer in either direction).

The fair value of non-current financial lease liability is estimated using discounted cash flow analysis, based on current lending rate for similar types of lease arrangements.

The following table provides the fair value measurement hierarchy of the Group's and the Company's financial instruments:

	Carrying amount Total RM'000	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value			
		Fair value Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Fair value Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
GROUP									
2022									
Non-current									
Financial assets									
Amount owing by associate	23,359	-	-	-	-	-	-	23,359	23,359
Trade receivables	23,772	-	-	-	-	-	-	23,772	23,772
Financial liabilities									
Borrowings	653	-	-	-	-	-	-	653	653
Other payables	212,028	-	-	-	-	-	-	212,028	212,028
2021									
Non-current									
Financial assets									
Amount owing by associates	114,146	-	-	-	-	-	-	114,146	114,146
Trade receivables	25,665	-	-	-	-	-	-	25,665	25,665
Financial liabilities									
Borrowings	72,488	-	-	-	-	-	-	72,488	72,488
Other payables	219,448	-	-	-	-	-	-	219,448	219,448

33. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair value measurement (Cont'd)

The following table provides the fair value measurement hierarchy of the Group's and the Company's financial instruments: (Cont'd)

	Carrying amount Total RM'000	Fair value of financial instruments carried at fair value — Fair value Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Fair value of financial instruments not carried at fair value — Fair value Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
COMPANY									
2022									
Non-current									
Financial asset									
Amount owing by associate	21,364	-	-	-	-	-	-	21,364	21,364
Financial liabilities									
Amount owing to subsidiaries	7,299	-	-	-	-	-	-	7,299	7,299
Other payables	207,830	-	-	-	-	-	-	207,830	207,830
Borrowings	153	-	-	-	-	-	-	153	153
2021									
Non-current									
Financial asset									
Amount owing by associates	111,815	-	-	-	-	-	-	111,815	111,815
Financial liabilities									
Amount owing to subsidiaries	13,792	-	-	-	-	-	-	13,792	13,792
Other payables	219,448	-	-	-	-	-	-	219,448	219,448
Borrowings	43,788	-	-	-	-	-	-	43,788	43,788

There were no transfers between the levels during the financial year ended 31 March 2022 and financial year ended 31 March 2021.

34. OTHER COMMITMENT

The Group leases out several of its properties which have remaining lease terms of between one to five years and the leases are renewable upon expiry. The leases do not include any contingent rentals.

Future minimum rental receivable under the non-cancellable operating leases at the reporting date are as follows:

	GROUP 2022 RM'000	2021 RM'000
- Not later than one year	3,345	3,136
- More than one year but not later than five years	1,087	1,692
	4,432	4,828

35. SEGMENTAL INFORMATION

Measurement of reportable segments

The Group prepared the following segment information in accordance with MFRS 8 *Operating Segments* based on the internal reports of the Group's strategic business units which are regularly reviewed by the Group's Executive Director of operation for the purpose of making decision about resource allocation and performance assessment.

Transactions between reportable segments are measured on the basis that is similar to those external customers.

Segment profit
Segment statements of comprehensive income are profit earned or loss incurred by each segment without allocation of central administrative costs, non-operating investment revenue, finance costs and income tax expense. There are no significant changes from previous financial years in the measurement methods used to determine reported segment statements of comprehensive income.

Segment assets
All the Group's assets are allocated to reportable segments other than assets used centrally for the Group, investment in associates and joint ventures. Jointly used assets are allocated on the basis of the revenues earned by individual segments.

Segment liabilities
All the Group's liabilities are allocated to reportable segments other than liabilities incurred centrally for the Group, current and deferred tax liabilities. Jointly incurred liabilities are allocated on proportion to the segment assets.

Business Segments

The Group's operations comprise the following business segments:

Property development	:	Investment holdings, development of residential and commercial properties.
Property investment and management	:	Rental and disposal of properties and provision of management services.
Construction	:	Performance of construction activities.

35. SEGMENTAL INFORMATION (CONT'D)

Business Segments (Cont'd)

	Property Development RM'000	Property Investment and Management RM'000	Construction RM'000	Others RM'000	Note	Total RM'000
2022						
Revenue	32,650	4,171	29,706	1	**A**	66,528
Results						
Bad debts written off	7	22,202	-	-		22,209
Depreciation of:						
- property, plant and equipment	169	2	46	32		249
- investment properties	-	984	-	-		984
Impairment loss on:						
- amount owing by associate	59	-	-	-		59
- receivables - trade	-	245	-	-		245
- receivables - non trade	62	-	-	-		62
Inventories written down	2,032	-	-	-		2,032
Loss on acquisition of subsidiaries	1,895	-	-	-		1,895
Gain on disposal of joint venture	-*	-	-	-		-*
Gain on financial assets at amortised cost	(11,076)	-	-	-		(11,076)
Gain on financial liabilities at amortised cost	(315)	-	-	-		(315)
Impairment loss no longer required:						
- receivables - trade	(5)	(4)	-	-		(9)
- receivables - non trade	(2,326)	-	-	-		(2,326)
Interest income	(1,368)	(33)	-	-		(1,401)
Waiver of debt	(27,000)	-	-	-		(27,000)
Share of results of associates	52	-	-	-		52
Results of segment profit/(loss)	20,603	(26,896)	4,909	(359)		(1,743)
Taxation	(81)	(3,122)	-	-		(3,203)
Profit/(loss) for the financial year	20,522	(30,018)	4,909	(359)		(4,946)
Other information						
Segment assets	583,311	76,907	22,730	176		683,124
Investment in associates	18,361	-	-	-		18,361
Segment liabilities	382,592	16,934	23,040	838		423,404
Capital expenditures	-	1	-	15	**B**	16

35. SEGMENTAL INFORMATION (CONT'D)

Business Segments (Cont'd)

	Property Development RM'000	Property Investment and Management RM'000	Construction RM'000	Others RM'000	Note	Total RM'000
2021						
Revenue	14,624	5,490	17,971	1	A	38,086
Results						
Depreciation of:						
- property, plant and equipment	218	18	-	14		250
- investment properties	-	3,401	-	-		3,401
Impairment loss on:						
- other investment	2	-	-	-		2
- receivables - trade	79	323	-	-		402
- receivables - non trade	2,005	10,809	-	-		12,814
Inventories written down	7,237	-	-	-		7,237
Gain on financial assets at amortised cost	(1,456)	-	-	-		(1,456)
Gain on deconsolidation of a subsidiary	-	(46,000)	-	-		(46,000)
Impairment loss no longer required:						
- receivables - non trade	(2,327)	(33)	-	-		(2,360)
Interest income	(3)	(121)	-	-		(124)
Share of results of associates	36	-	-	-		36
Results of segment profit/(loss)	(26,427)	(5,212)	881	(124)		(30,882)
Taxation	(18)	-	-	-		(18)
Profit/(loss) for the financial year	(26,445)	(5,212)	881	(124)		(30,900)
Other information						
Segment assets	533,948	145,341	10,278	192		689,759
Investment in associates	18,413	-	-	-		18,413
Segment liabilities	398,623	15,395	11,622	-		425,640
Capital expenditures	-	-	-	191	B	191

Note: Nature of adjustments and elimination to arrive at amounts reported in the consolidated financial statements.

A Inter-segment revenues are eliminated on consolidation

B Additions of capital expenditure consists of:

	GROUP 2022 RM'000	2021 RM'000
Property, plant and equipment	16	191

35. SEGMENTAL INFORMATION (CONT'D)

Geographical information

All the remaining operation are conducted in Malaysia. Hence, no geographical segment is presented.

Information about major customers

For property development segment, revenue from three (2021: three) customers represent approximately RM27.51 million (2021: RM11.21 million) of the Group's total revenue.

For construction segment, revenue from three (2021: two) customers represent approximately RM29.48 million (2021: RM15.12 million) of the Group's total revenue.

36. MATERIAL LITIGATION

Save as disclosed below, neither the Group and the Company are engaged in any material litigation, claims or arbitration either as plaintiff or defendant, which has a material effect on the business or financial position of the Group, and the Board of Directors has no knowledge of any proceedings pending or threatened against the Group or of any fact likely to give rise to any proceedings which might materially and adversely affect the business or financial position of the Group:

A Writ of Summons and the Statement of Claim was filed in the Kuala Lumpur High Court by Universal Healthcare (R&D) Sdn. Bhd. ("UHSB") against TTB and 3 other Defendants who were Directors of Pandan Indah Medical Management Sdn. Bhd. (In Liquidation), a former subsidiary of TTB ("PIMM").

UHSB claims against TTB for the Declarations that TTB is a director of PIMM and that the business of PIMM was carried out by its Directors and/ or TTB and that the Directors of PIMM and/or TTB are personally liable to UHSB. Consequently, UHSB is seeking an order that the Directors of PIMM and/ or TTB pay jointly and/ or severally, the alleged debt arising from the judgment sum of RM23.82 million assessed by UHSB against PIMM together with interest at the rate of 8% per annum from the date of Writ of Summons until full settlement amounting to a total alleged claim of RM49.23 million (as at 12 October 2015) and/ or in the alternative, damages to be assessed.

TTB has filed its Defence and also counterclaimed against UHSB and the 3 Directors of UHSB for general damages, exemplary damages and aggravated damages for the tort of abuse of process and/ or malicious prosecution.

The full trial of the Civil Suit commenced on 19, 23 and 24 January 2017 and continued to be partly heard on 19 and 20 June 2017, 1, 2 and 3 August 2017, 20 and 24 October 2017 and 27 and 28 November 2017. The Court further continued with the hearing on 18, 19 and 29 January 2018 and 9 and 12 February 2018 and 15 March 2018 and 5, 7 and 8 June 2018 for continued hearing and completed the full hearing on 25 June 2018. Both parties have put in their written submission on 20 August 2018 and the reply on 12 September 2018. The Court had on 10 January 2019 and 12th to 14th June 2019 heard oral submission and fixed 29 August 2019 to deliver its decision which was then deferred to 29 January 2020 and subsequently to 6 March 2020.

The High Court had on 6 March 2020 delivered its decision and dismissed UHSB's Civil Suit and also TTB's Counter Claim with no order as to costs. UHSB's Solicitors had on 14 May 2020 served a Notice of Appeal dated 1 April 2020 to appeal to the Court of Appeal against part of the decision of the High Court dismissing UHSB's High Court Civil Suit without cost. The date for the hearing of the Appeal is fixed on 30 January 2023.

37. BASIS FOR QUALIFIED OF OPINION ON THE STATUTORY FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

(a) The Independent Auditors' Report on financial statements for the financial year ended 31 March 2021 contained a qualified opinion.

The extract of the basis for qualified opinion is as follows:

(i) As disclosed in Note 9(c) to the financial statements, the amount owing by an associate of the Group and the Company as at 31 March 2021, amounted to RM29.46 million is in relation to an advances for property development project. The assessment of impairment losses on these balances requires significant judgement made by the directors on the expected credit losses. The Group is of the view that no impairment was required for the amount owing by the associate.

(ii) As disclosed in Note 12(b)(iii) to the financial statements, the other receivables of the Group as at 31 March 2021, amounted to RM67.63 million is in relation to an advanced to Jilin Province Maxcourt Hotel Limited under liquidation. The assessment of impairment losses on this balance requires significant judgements made by the directors on the expected credit losses. The valuation of investment properties conducted by the China administrator was much higher than the net book value of the investment properties. Accordingly, the Group is of the view that no impairment was required for this receivable.

Messrs Baker Tilly Monteiro Heng PLT were unable to obtain sufficient appropriate audit evidence in relation to the assessment that no expected credit loss was required for the amount owing by an associate and Jilin Province Maxcourt Hotel Limited as at 31 March 2021. Therefore, Messrs Baker Tilly Monteiro Heng PLT could not determine whether any expected credit loss was necessary in accordance to MFRS 9 Financial Instruments.

(b) During the financial year, the matters which gave rise to the above qualification have been concluded due to the events as disclosed in Note 9(c) and Note 12(b)(iii) to the financial statements respectively.

STATEMENT BY DIRECTORS

(Pursuant to Section 251(2) of the Companies Act 2016)

We, **CHUA KIM LAN** and **YAW CHUN SOON**, being two of the directors of **TALAM TRANSFORM BERHAD**, do hereby state that in the opinion of the directors, the financial statements set out on pages 71 to 151 are properly 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:

CHUA KIM LAN
Director

YAW CHUN SOON
Director

Kuala Lumpur

Date: 29 July 2022

STATUTORY DECLARATION

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

I, **SOO KAH PIK**, being the officer primarily responsible for the financial management of **TALAM TRANSFORM BERHAD**, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 71 to 151 are 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.

SOO KAH PIK
(MIA No. 8102)

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on 29 July 2022.

Before me,

SHARMALA A/P BATUMALAI (W759)
Commissioner for Oaths

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Qualified Opinion

We have audited the financial statements of **TALAM TRANSFORM BERHAD**, which comprise the statements of financial position as at 31 March 2022 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 71 to 151.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2022, and of its financial performance and its cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Qualified Opinion

As disclosed in Note 37 to the financial statements, the amount owing by an associate and the other receivables of the Group and of the Company were qualified in the previous financial year. During the current financial year, the matters which gave rise to the above qualification have been concluded due to the events as disclosed in Note 9(c) and Note 12(b)(iii) to the financial statements respectively. Since the opening amount owing by an associate and the other receivable affect the determination of the results of operations, we are unable to determine whether any adjustment to the results of the operations and retained earnings might be necessary for 31 March 2021. Our audit opinion on the financial statements for the year ended 31 March 2021 was modified accordingly. Our opinion on the current year's financial statements is also modified because of the possible effect of this matter on the comparability of the current year's figures and corresponding figures.

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 qualified opinion.

Independence and Other Ethical Responsibilities

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

Information other than the Financial Statements and Auditors' Report Thereon

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

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

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

If, based on the work we have performed on the other information that we obtained prior the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualified Opinion section above, we were unable to obtain sufficient appropriate audit evidence about the carrying amount of amount owing by an associate and the other receivable as at 31 March 2021. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Group

Funding requirements and ability to meet short term obligations

The Group's policies and processes for the management of liquidity risk is disclosed in Note 33(b)(ii) to the financial statements. The directors have prepared the cash flow forecast for the next 12 months from the financial year to support the assertion that the Group will have sufficient funds to meet its cash flow obligations. We focus on this area due to significant judgement involved in determining the assumptions used by the directors in arriving at the Group's cash flow forecast for the next 12 months.

Our audit response:
Our audit procedures included, among others:

- reviewing the cash flow forecast over the next 12 months;
- comparing the Group's assumptions in the cash flow forecast to our understanding obtained during our audit in relation to key assumptions;
- agreeing sources of financing and uses of funds to relevant supporting documents; and
- testing the mathematical accuracy of the cash flow forecast calculation.

Receivables and amount owing by an associate (Note 4(a), 9(b) and 12 to the financial statements)

We focused on this area because the directors made judgements over both the events or changes in circumstances indicating that receivables and amount owing by an associate are impaired and the estimation of the size of any such impairment. The receivables are monitored individually by management and therefore the impairment is assessed based on the knowledge of each individual receivables and amount owing by an associate.

Our audit response:
Our audit procedures included, among others:

- understanding of significant credit exposures which were significantly overdue through analysis of ageing reports prepared by management;
- obtaining confirmation of balances from selected receivables and associate; and
- reviewing subsequent receipts, correspondences, and considering the level of activity with the debtor and management explanations on recoverability with significantly past due balances.

Inventories (Note 4(b) and 6 to the financial statements)

The Group and the Company have significant balances of completed properties and properties held for development as at 31 March 2022. We focused on this area because the assessment of the net realisable value of these completed properties and properties held for development requires the application of significant judgements made by the directors.

Our audit response:
Our audit procedures included, among others:

- understanding the assumption used by the directors in determining the value of properties held for development;
- comparing the recent transacted prices of comparable completed properties. We focused our evaluation on those completed properties that are slow moving;
- performing site visit on selected completed properties and properties held for development to ascertain the condition; and
- reviewing subsequent sales and Group's assessment on estimated net realisable value on selected inventory items.

Key Audit Matters (Cont'd)

Group (Cont'd)

Revenue recognition for construction activities (Note 4(c), 23 and 24 to the financial statements)

The amount of revenue of the Group's construction activities is recognised over the year of the contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of performance obligation is determined by reference to proportion of construction costs incurred for works performed to date to the estimated total costs for each project (input method).

We focused on this area because significant directors' judgement is required, in particular with regards to determining the progress towards satisfaction of performance obligation, the extent of construction costs incurred and the estimated total construction contracts revenue and costs. The estimated total revenue and costs are affected by a variety of uncertainties that depend on the outcome of future events.

Our audit response:
Our audit procedures included, among others:
- reading the terms and conditions of agreements with customers to determine that revenue recognition is consistent with the requirements of MFRS 15 *Revenue from Contracts with Customers;*
- discussing the progress of projects and expected outcome with project manager to obtain an understanding of the basis on which the estimates are made;
- reviewing the reasonableness of computed progress towards anticipated satisfaction of performance obligation for identified projects against architect or consultant certificate; and
- checking the mathematical computation of recognised revenue for the projects during the financial year.

Company

Investment in subsidiaries (Note 4(d) and Note 8 to the financial statements)

The Company has significant balance of investment in subsidiaries. At the end of the financial year, the Company determined whether there is any indication of impairment of investment in subsidiaries.

We focused on this area because the directors' assessment of the recoverable amount involved significant judgement. The recoverable amount of investment in subsidiaries was determined based on the fair value less cost to sell or value-in-use which involves exercise of significant judgement on the discount rates applied and the assumptions supporting the underlying cash flow projections which include future sales, gross profit margin and operating expenses.

Our audit response:
Our audit procedures included, among others:
- comparing the Group's assumptions to our understanding obtained during our audit in relation to key assumptions to assess their reasonableness; and
- testing the mathematical accuracy of the impairment assessment.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with 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 of the Company that are free from material misstatement, whether due to fraud or error.

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

The directors of the Company are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirement of the Companies Act 2016 in Malaysia, we report that:

(a) the subsidiaries of which we have not acted as auditors are disclosed in Note 30 to the financial statements.
(b) we have not obtained all the information and explanation that we required for the matter described in Basis for Qualified Opinion.

Other Matters

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

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

Ng Jou Yin
03460/11/2023 J
Chartered Accountant

Kuala Lumpur

Date: 29 July 2022

LIST OF
TOP 10 PROPERTIES

No.	+ Registered # Beneficial Owner		Location	*Acreage/ **Built up area (sq.ft.) (Nett Area)	Description/ proposed development	Date of Acquisition/ Joint Venture/ Completion	Tenure	Expiry	Approximate age of the building (Years)	Net Book Value/ Net Carrying Value as at 31/03/2022 (RM'000)
1	Talam Leisure Development Sdn Bhd	#	Mukim Dengkil, Daerah Sepang, Taman Putra Perdana, Puchong, Selangor	* 66.78	Development of residential and commercial properties	05/02/2015	99 years	19/10/2093	N/A	98,082
2	Europlus Berhad	+	Mukim Ulu Yam, Daerah Ulu Selangor, Bukit Beruntung 3, Negeri Selangor	* 200.12	Residential, Industrial and Bukit Beruntung III	18/12/1991	Freehold	N/A	N/A	89,806
3	Cekap Tropikal Sdn Bhd	#	Mukim of Batu, District of Gombak, State of Selangor	* 50	Mixed Development	05/03/2007	99 years	24/02/2105	N/A	70,000
4	Europlus Berhad	+, #	Mukim Serendah, Daerah Ulu Selangor, Bandar Bukit Beruntung, Negeri Selangor	* 154.48	Township Development Bukit Beruntung	17/02/2015	Freehold	N/A	N/A	39,227
		#	Mukim Serendah, Daerah Ulu Selangor, Bandar Bukit Sentosa Negeri Selangor	* 15.13 * 6.29	Bukit Sentosa III Development of industrial, residential and commercial development	13/05/2019 17/03/2020	Freehold Freehold	N/A N/A	N/A N/A	5,270 8,080
5	Abra Development Sdn Bhd	+	Menara Maxisegar, Jalan Pandan Indah 4/2, Pandan Indah, 55100 KL	** 365,029	Menara Maxisegar 24-storey commercial complex	22/06/1995	99 years	03/04/2094	23	47,574
6	Zhinmun Sdn Bhd	+	Mukim of Batu, District of Gombak, State of Selangor	* 50	Mixed Development	08/02/2006	99 years	23/12/2103	N/A	36,000

No.	+ Registered # Beneficial Owner		Location	*Acreage/ **Built up area (sq.ft.) (Nett Area)	Description/ proposed development	Date of Acquisition/ Joint Venture/ Completion	Tenure	Expiry	Approximate age of the building (Years)	Net Book Value/ Net Carrying Value as at 31/03/2022 (RM'000)
7	Inti Johan Sdn Bhd	#	Pandan Kapital Shopping Mall, Jalan Pandan Utama, Pandan Indah, 55100 KL	* 177,471	Pandan Kapital Shopping Mall	09/03/2005	99 years	24/03/2101	22	25,538
8	Talam Leisure Development Sdn Bhd	#	Mukim Dengkil, Daerah Sepang, Taman Putra Perdana Puchong, Selangor	** 142,936	192 units Medium Cost Apartments	05/02/2015	99 years	19/10/2093	N/A	23,286
9	Good Debut Sdn Bhd	+	Mukim Hulu Kelang, Daerah Gombak, Negeri Selangor	* 4.99	100 units Terraced Lots	17/11/2006	99 years	22/06/2114	N/A	21,000
10	Talam Transform Berhad	+	Mukim Serendah, Daerah Ulu Selangor, Bandar Bukit Sentosa Negeri Selangor	* 44.85	Bukit Sentosa III Development of industrial, residential and commercial development	29/10/1994	Freehold	N/A	N/A	17,470

STATEMENT ON DIRECTORS' AND GROUP
CHIEF EXECUTIVE OFFICER'S INTERESTS
AS AT 30 JUNE 2022

DIRECTORS' AND GROUP CHIEF EXECUTIVE OFFICER'S SHAREHOLDINGS
(Based on Register of Directors' and Register of Principal Officers' shareholdings as at 30 June 2022)

The Company		No. of Ordinary Shares Held			
		Direct Interest	%*5	Indirect Interest	%*5
1.	Tan Sri Dato' (Dr) Ir Chan Ah Chye @ Chan Chong Yoon	1,007,710,694	23.47	258,760,772*1	6.03
2.	Chua Kim Lan	90,039	0.002	28,125*2	0.001
3.	Yaw Chun Soon	445,000	0.01	-	-
4.	Chan Tet Eu	-	-	1,266,471,466*3	29.50
5.	Dato' Mohamad Razali Bin Mohamad Rahim	15	*4	-	-

Notes:

*1 Held through his spouse, Puan Sri Datin Thong Nyok Choo ("PSDTNC"), his daughter, Chan Siu Wei ("CSW") and deemed interested by virtue of his interest in Pengurusan Projek Bersistem Sdn Bhd ("PPBSB"), Sze Choon Holdings Sdn Bhd ("SCHSB") and Jejak Progresif Sdn Bhd ("JPSB") pursuant to Section 59(11)(c) and Section 8 of the Companies Act 2016 ("Act") respectively.

*2 Held through her spouse, Chin Chee Meng pursuant to Section 59(11)(c) of the Act.

*3 Deemed interested through his father, TSDCAC, his mother, PSDTNC, his sister, CSW and by virtue of his interest in PPBSB, SCHSB and JPSB pursuant to Section 8 of the Act.

*4 Negligible

*5 % shareholding based on the total number of voting shares as at 30 June 2022 of 4,292,643,762.

Tan Sri Dato' (Dr) Ir Chan Ah Chye @ Chan Chong Yoon and Chan Tet Eu, by virtue of their interests in the shares of the Company are also deemed interested in the shares of all the Company's subsidiaries to the extent the Company has an interest.

Save as disclosed above, none of the other Directors of the Company have any interests in the shares of the Company and its related corporations as at 30 June 2022.

ANALYSIS OF SHAREHOLDINGS
AS AT 30 JUNE 2022

SHARE CAPITAL

Total Number of Issued Shares	:	4,295,279,562 ordinary shares
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote per ordinary share
Total Number of Voting Shares	:	4,292,643,762 (excluding treasury shares of 2,635,800)

DISTRIBUTION OF ORDINARY SHAREHOLDINGS
(Based on Record of Depositors as at 30 June 2022)

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholders
1 - 99	1,489	7.83	65,712	0.00
100 - 1,000	1,957	10.29	1,201,491	0.03
1,001 - 10,000	6,083	31.98	27,890,362	0.65
10,001 - 100,000	6,465	33.99	312,411,883	7.28
100,001 – 214,632,187 (*1)	3,026	15.91	3,027,074,314	70.52
214,632,188 and above (*2)	3	0.02	924,000,000	21.52
TOTAL (*3)	19,023	100.00	4,292,643,762	100.00

NOTES:

(*1) Less than 5% of the total number of voting shares
(*2) 5% and above of the total number of voting shares
(*3) Exclusive of treasury shares

THIRTY LARGEST ORDINARY SHAREHOLDERS
(Based on Record of Depositors as at 30 June 2022)

No.	Name	No. of Ordinary Shares Held	%
1	CHAN AH CHYE @ CHAN CHONG YOON	400,000,000	9.32
2	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR CHAN AH CHYE @ CHAN CHONG YOON (PB)	294,000,000	6.85
3	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR JEJAK PROGRESIF SDN BHD	230,000,000	5.36
4	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHAN AH CHYE @ CHAN CHONG YOON	183,718,086	4.28
5	UOB KAY HIAN NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEO SIEW LAI	157,003,000	3.66
6	UOB KAY HIAN NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEO KWEE HOCK	145,705,100	3.39
7	CHAN AH CHYE @ CHAN CHONG YOON	124,374,565	2.90

ANALYSIS
OF SHAREHOLDINGS
AS AT 30 JUNE 2022
(CONT'D)

THIRTY LARGEST ORDINARY SHAREHOLDERS
(Based on Record of Depositors as at 30 June 2022)

No.	Name	No. of Ordinary Shares Held	%
8	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR PROMINENT XTREME SDN BHD	107,849,781	2.51
9	AL WAKALAH NOMINEES (TEMPATAN) SDN BHD BANK ISLAM MALAYSIA BERHAD	103,373,494	2.41
10	WCE HOLDINGS BERHAD	79,670,967	1.86
11	UOB KAY HIAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	49,332,579	1.15
12	TENGKU UZIR BIN TENGKU UBAIDILLAH	37,086,800	0.86
13	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR BANK OF SINGAPORE LIMITED (FOREIGN)	31,110,000	0.72
14	RESON SDN BHD	27,131,500	0.63
15	YEOH TEONG ENG	23,507,300	0.55
16	PENGURUSAN PROJEK BERSISTEM SDN BHD	21,000,404	0.49
17	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAY HOCK SOON (MY1055)	18,000,000	0.42
18	RHB CAPITAL NOMINESS (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MICHELLE LOOI POH GAIK	17,000,000	0.40
19	NG LOO SOON	16,000,000	0.37
20	LIM SIEW KHEONG	15,700,000	0.37
21	TAN TIAM YEE	14,700,000	0.34
22	ONG YENG TIAN @ ONG WENG TIAN	13,934,470	0.32
23	GENERAL TECHNOLOGY SDN BHD	13,197,431	0.31
24	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WCE HOLDINGS BERHAD	13,169,550	0.31
25	HONG ENG KWEE @ HONG ENG HWE	13,000,000	0.30
26	YEOH TEONG ENG	12,000,000	0.28
27	POS MALAYSIA BERHAD	11,637,000	0.27
28	ONG YEW BENG	10,900,000	0.25
29	HO SHU KEONG	10,000,000	0.23
30	TAN SUAN HUAT	10,000,000	0.23
	TOTAL	**2,204,102,927**	**51.35**

SUBSTANTIAL SHAREHOLDERS
(Based on Register of Substantial Shareholders as at 30 June 2022)

		No. of Ordinary Shares			
	Name of Substantial Shareholders	**Direct Interest**	**%*5**	**Indirect Interest**	**%*5**
1.	Tan Sri Dato' (Dr) Ir Chan Ah Chye @ Chan Chong Yoon	1,007,710,694	23.47	258,760,772*1	6.03
2.	Puan Sri Datin Thong Nyok Choo	600,145	0.01	1,265,871,321*2	29.49
3.	Chan Siu Wei	3,259,950	0.07	1,263,211,516*3	29.43
4.	Chan Tet Eu	-	-	1,266,471,466*4	29.50
5.	Jejak Progresif Sdn Bhd	230,000,000	5.36	-	-

NOTES:-

*1 Held through his spouse, Puan Sri Datin Thong Nyok Choo ("PSDTNC"), his daughter, Chan Siu Wei ("CSW") and deemed interested by virtue of his interest in Pengurusan Projek Bersistem Sdn Bhd ("PPBSB"), Sze Choon Holdings Sdn Bhd ("SCHSB") and Jejak Progresif Sdn Bhd ("JPSB") pursuant to Section 59(11)(c) and Section 8 of the Companies Act 2016 ("Act") respectively.

*2 Deemed interested through her spouse, TSDCAC, her daughter, CSW and by virtue of her interest in PPBSB, SCHSB and JPSB pursuant to Section 8 of the Act.

*3 Deemed interested through her father, TSDCAC, her mother, PSDTNC and by virtue of her interest in PPBSB, SCHSB and JPSB pursuant to Section 8 of the Act.

*4 Deemed interested through his father, TSDCAC, his mother, PSDTNC, his sister, CSW and by virtue of his interest in PPBSB, SCHSB and JPSB pursuant to Section 8 of the Act.

*5 % shareholding based on the total number of voting shares as at 30 June 2022 of 4,292,643,762.

NOTICE OF
ANNUAL GENERAL MEETING

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 97th Annual General Meeting of **TALAM TRANSFORM BERHAD** ("the Company") will be held at Pusat Konvensyen, Triumph Convention Centre, Lot 1.01, Level 1, Menara Maxisegar, Jalan Pandan Indah 4/2, Pandan Indah, 55100 Kuala Lumpur on Thursday, 22 September 2022 at 11.30 a.m. for the following purposes:-

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements of the Company for the financial year ended 31 March 2022 and the Reports of the Directors and Auditors thereon. **(Please refer to Explanatory Note 1)**

2. To approve the payment of Directors' fees of RM25,000.00 for each Director for the financial year ended 31 March 2022. **(Resolution 1)**

3. To approve the payment of Non-Executive Directors' remuneration (excluding Directors' fees) up to an amount of RM312,000.00 from 23 September 2022 until the next Annual General Meeting of the Company to be held in the year 2023. **(Resolution 2)**

4. To re-elect the following Directors who are retiring in accordance with Clause 110 of the Constitution of the Company:-

(i) Tan Sri Dato' (Dr) Ir Chan Ah Chye @ Chan Chong Yoon **(Resolution 3)**
(ii) Ms Chua Kim Lan **(Resolution 4)**

5. To re-appoint Messrs Baker Tilly Monteiro Heng PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 5)**

AS SPECIAL BUSINESS

To consider and if thought fit, to pass with or without modifications, the following resolutions:-

6. ORDINARY RESOLUTION **(Resolution 6)**
Proposed Retention of Independent Non-Executive Director

"**THAT** Mr Tsen Keng Yam be and is hereby retained as an Independent Non-Executive Director of the Company and he shall continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting notwithstanding that he has been in that capacity for a cumulative term of more than twelve (12) years."

7. ORDINARY RESOLUTION **(Resolution 7)**
Proposed Retention of Independent Non-Executive Director

"**THAT** Dato' Kamaruddin Bin Mat Desa be and is hereby retained as an Independent Non-Executive Director of the Company and he shall continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting notwithstanding that he has been in that capacity for a cumulative term of more than twelve (12) years."

8. ORDINARY RESOLUTION **(Resolution 8)**
Proposed Retention of Independent Non-Executive Director

"**THAT** Datuk Dr Ng Bee Ken be and is hereby retained as an Independent Non-Executive Director of the Company and he shall continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting notwithstanding that he has been in that capacity for a cumulative term of more than twelve (12) years."

9. **ORDINARY RESOLUTION** **(Resolution 9)**
Authority to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016

"**THAT** subject to Sections 75 and 76 of the Companies Act 2016, the Constitution of the Company and approvals of the relevant governmental/regulatory authorities where such approval is necessary, the Directors be and are hereby empowered to issue and allot shares in the Company, at any time to such persons and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, provided that the aggregate number of shares to be issued does not exceed twenty percent (20%) of the total number of issued shares of the Company for the time being to be utilised until 31 December 2022 as empowered by Bursa Malaysia Securities Berhad pursuant to its letter dated 23 December 2021 to extend the implementation period for the utilisation of the 20% general mandate and thereafter, does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being, and the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad.

AND THAT such authority shall commence immediately upon the passing of this resolution and to continue to be in force until the conclusion of the next Annual General Meeting of the Company."

10. **ORDINARY RESOLUTION** **(Resolution 10)**
Proposed renewal of shareholders' mandate for existing recurrent related party transactions of a revenue or trading nature ("Proposed Shareholders' Mandate I")

"**THAT** subject always to the Listing Requirements of Bursa Malaysia Securities Berhad, the Company and its subsidiary companies shall be mandated to enter into such recurrent transactions of a revenue or trading nature which are necessary for their day-to-day operations and with those related parties as specified in Section 2.4 (1) to (3) of the Circular to Shareholders dated 29 July 2022 subject further to the following:-

(i) the transactions are in the ordinary course of business of the Company and its subsidiary companies on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company; and

(ii) disclosure will be made in the Annual Report of the aggregate value of transactions of the Proposed Shareholders' Mandate I conducted during the financial year, including amongst others, the following information:-

    (a) the type of the recurrent transactions made; and

    (b) the names of the related parties involved in each type of the recurrent transactions made and their relationship with the Company and/or its subsidiary companies.

AND THAT such mandate shall commence upon passing of this resolution and shall continue to be in force until:-

(i) the conclusion of the next Annual General Meeting ("AGM") of the Company following the AGM at which such mandate was passed, at which time it will lapse, unless by a resolution passed at a general meeting, the authority is renewed; or

(ii) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("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 of the Company in a general meeting;

whichever is the earlier;

AND FURTHER THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Shareholders' Mandate I."

11. ORDINARY RESOLUTION **(Resolution 11)**
Proposed renewal of shareholders' mandate for existing recurrent related party transactions of a revenue or trading nature ("Proposed Shareholders' Mandate II")

"**THAT** subject always to the Listing Requirements of Bursa Malaysia Securities Berhad, the Company and its subsidiary companies shall be mandated to enter into such recurrent transactions of a revenue or trading nature which are necessary for their day-to-day operations and with those related parties as specified in Section 2.4 (4) to (5) of the Circular to Shareholders dated 29 July 2022 subject further to the following:-

(i) the transactions are in the ordinary course of business of the Company and its subsidiary companies on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company; and

(ii) disclosure will be made in the Annual Report of the aggregate value of transactions of the Proposed Shareholders' Mandate II conducted during the financial year, including amongst others, the following information:-

(a) the type of the recurrent transactions made; and

(b) the names of the related parties involved in each type of the recurrent transactions made and their relationship with the Company and/or its subsidiary companies.

AND THAT such mandate shall commence upon passing of this resolution and shall continue to be in force until:-

(i) the conclusion of the next Annual General Meeting ("AGM") of the Company following the AGM at which such mandate was passed, at which time it will lapse, unless by a resolution passed at a general meeting, the authority is renewed; or

(ii) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("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 of the Company in a general meeting;

whichever is the earlier;

AND FURTHER THAT the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Shareholders' Mandate II."

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

BY ORDER OF THE BOARD

SOO KAH PIK (MIA 8102)
SSM Practising Certificate No. 201908004099
Company Secretary

Kuala Lumpur
29 July 2022

NOTES:-

1. *A member of the Company entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxies to attend and vote in his stead. A proxy may but need not be a member of the Company. There shall be no restrictions as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the members to speak at the meeting.*

2. *Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*

3. *Where a member appoints two (2) proxies, the member shall specify the proportions of his shareholdings to be represented by each proxy.*

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

5. *The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing, or if the appointor is a corporation under its common seal or the hand of an officer or attorney duly authorised.*

6. *All Forms of Proxy must be deposited at the Registered Office of the Company situated at Unit 17.02, Level 17, Menara Maxisegar, Jalan Pandan Indah 4/2, Pandan Indah, 55100 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.*

7. *For the purpose of determining members who shall be entitled to attend this Annual General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a Record of Depositors as at 14 September 2022. Only members whose names appear therein shall be entitled to attend the said meeting or appoint a proxy to attend and vote on their behalf.*

8. *Pursuant to Paragraph 8.29(A)(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of this Annual General Meeting will be put to vote by poll.*

EXPLANATORY NOTES TO THE ORDINARY AND SPECIAL BUSINESS

1. *Audited Financial Statements of the Company for the financial year ended 31 March 2022*

   This Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

2. *Resolution 2: Payment of Directors' Remuneration (excluding Directors' Fees) from 23 September 2022 until the next Annual General Meeting of the Company to be held in the year 2023*

   The Company is seeking shareholders' approval for the payment of the Non-Executive Directors' remuneration for the period commencing from 23 September 2022 (being the date immediately after the 97th Annual General Meeting of the Company) until the next annual general meeting of the Company to be held in the year 2023.

   The Remuneration Committee had conducted a review of the Directors' remuneration and after taking into consideration of the continuing global economic crisis due to the COVID-19 pandemic health crisis coupled with the present difficult property market and financial conditions, had recommended that the following estimated Directors' remuneration (excluding Directors' Fees) payable to the Non-Executive Directors to remain the same as per last year:-

No.	Description	Designation	Amount
(i)	Fixed Monthly Allowance	Chairman	RM10,000 per month
		Non-Executive Directors	RM5,000 per month per director
(ii)	Meeting Allowance • Board Meeting (5 times per year) • General Meeting (1 time per year)	Non-Executive Directors	RM500 per meeting per director

EXPLANATORY NOTES TO THE ORDINARY AND SPECIAL BUSINESS (CONT'D)

2. *Resolution 2: Payment of Directors' Remuneration (excluding Directors' Fees) from 23 September 2022 until the next Annual General Meeting of the Company to be held in the year 2023 (Cont'd)*

The Non-Executive Directors have agreed to continue taking a reduction in their fixed monthly allowance in tandem with the Group's Salary Reduction Implementation exercise by 50% for the Chairman and 20% for the other Non-Executive Directors since 1 May 2020 in order to give financial support to the Company in these difficult times. The Remuneration Committee shall in the meantime continuously review the financial situation and will reinstate back their fixed monthly allowance to original quantum when able to do so during the said period.

The Board has reviewed and accepted the Remuneration Committee's proposal as it is of the view that it is fair and reasonable and was in the Company's best interest. However, the payment of the Directors' remuneration (excluding Directors' Fees) to the Non-Executive Directors will be made by the Company on a monthly basis and/or as and when incurred, given that they have duly discharged their responsibilities and provided their services to the Company and the Group for the said period, if the Proposed Resolution 2 has been passed at the 97th Annual General Meeting.

3. *Resolution 6, Resolution 7 and Resolution 8: Proposed Retention of Independent Non-Executive Director*

Resolution 6, Resolution 7 and Resolution 8 are proposed pursuant to the Malaysian Code on Corporate Governance and if passed, will allow Mr Tsen Keng Yam, Dato' Kamaruddin Bin Mat Desa and Datuk Dr Ng Bee Ken to be retained and continue to act as Independent Non-Executive Directors.

(a) Mr Tsen Keng Yam

The Board of Directors has via the Nomination Committee conducted an annual performance evaluation and assessment of Mr Tsen Keng Yam who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years and recommended him to continue to act as an Independent Non-Executive Director of the Company, through a two-tier voting process, based on the following justifications:-

(i) He has fulfilled the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and therefore, is able to bring independent and objective judgment to the Board;
(ii) His experience in the various industries enables him to provide the Board with a diverse set of experience, expertise, skills and competence;
(iii) He has been with the Company for more than eighteen (18) years and therefore understands the Company's business operations which enables him to participate actively and contribute during deliberations or discussions at the Board and Board Committees' meetings;
(iv) He has contributed sufficient time and effort and attended all the Board and Board Committees' meetings for the financial year ended 31 March 2022 to obtain independent information required for a balanced decision making; and
(v) He has exercised due care during his tenure as an Independent Non-Executive Director of the Company and carried out his duties in the interest of the Company and its shareholders.

(b) Dato' Kamaruddin Bin Mat Desa

The Board of Directors has via the Nomination Committee conducted an annual performance evaluation and assessment of Dato' Kamaruddin Bin Mat Desa who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years and recommended him to continue to act as an Independent Non-Executive Director of the Company, through a two-tier voting process, based on the following justifications:-

(i) He has fulfilled the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and therefore, is able to bring independent and objective judgment to the Board;
(ii) He has been with the Company for more than fourteen (14) years and therefore understands the Company's business operations which enables him to participate actively and contribute during deliberations or discussions at the Board and Board Committees' meetings;
(iii) He has contributed sufficient time and effort and attended all Board and Board Committees' meetings for the financial year ended 31 March 2022 to obtain independent information required for a balanced decision making; and
(iv) He has exercised due care during his tenure as an Independent Non-Executive Director of the Company and carried out his duties in the interest of the Company and its shareholders.

EXPLANATORY NOTES TO THE ORDINARY AND SPECIAL BUSINESS (CONT'D)

3. *Resolution 6, Resolution 7 and Resolution 8: Proposed Retention of Independent Non-Executive Director (Cont'd)*

   (c) *Datuk Dr Ng Bee Ken*

   The Board of Directors has via the Nomination Committee conducted an annual performance evaluation and assessment of Datuk Dr Ng Bee Ken who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years and recommended him to continue to act as an Independent Non-Executive Director of the Company based on the following justifications:-

   (i) *He has fulfilled the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and therefore, is able to bring independent and objective judgment to the Board;*
   (ii) *His experience in the various industries enables him to provide the Board with a diverse set of experience, expertise, skills and competence;*
   (iii) *He has been with the Company for more than twelve (12) years and therefore understands the Company's business operations which enables him to participate actively and contribute during deliberations or discussions at the Board and Board Committees' meetings;*
   (iv) *He has contributed sufficient time and effort and attended all the Board and Board Committees' meetings for the financial year ended 31 March 2022 to obtain independent information required for a balanced decision making; and*
   (v) *He has exercised due care during his tenure as an Independent Non-Executive Director of the Company and carried out his duties in the interest of the Company and its shareholders.*

4. *Resolution 9: Authority to issue shares*

   The proposed Ordinary Resolution 9 is intended to renew the authority granted to the Directors of the Company at the 96th Annual General Meeting of the Company held on 29 September 2021, to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed twenty percent (20%) of the total number of issued shares of the Company for the time being to be utilised until 31 December 2021 as empowered by Bursa Malaysia Securities Berhad pursuant to its letter dated 16 April 2020 to grant additional temporary relief measures to listed issuers and thereafter, does not exceed 10% of the total number of issued shares of the Company ("General Mandate"). The General Mandate granted by the shareholders at the 96th Annual General Meeting of the Company has not been utilised and hence, no proceed was raised therefrom.

   As part of Bursa Malaysia Securities Berhad's continuous support and assistance to listed issuers in these trying and challenging times amid the COVID-19 pandemic, Bursa Malaysia Securities Berhad had via its letter dated 23 December 2021 resolved to extend the implementation period of the increased 20% general mandate to allow the listed issuer to seek a higher general mandate of not more than 20% of the total number of issued shares for new issue of securities by way of private placement until 31 December 2022 and thereafter, ten percent (10%) of the total number of issued shares of the Company for the time being shall apply ("new General Mandate"), provided that such listed issuer has not utilised the 20% general mandate approved by the shareholders at the 96th Annual General Meeting in 2021 to issue new securities on or before 31 December 2021 or has not sought shareholders' approval for the 20% general mandate at the 96th Annual General Meeting in 2021.

   The Board of Directors having considered the current and prospective financial position and future financial needs of the Company and its subsidiaries is of the opinion that the increase in the new General Mandate limit for new issue of shares of up to twenty percent (20%) is in the best interest of the Company and its shareholders and would like to procure approval for the new General Mandate from its shareholders at the forthcoming 97th Annual General Meeting of the Company. The new General Mandate will provide the Company with additional fundraising flexibility and also enable the Directors to take swift action for the allotment of shares for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisitions and to avoid delay and cost in convening general meetings to approve such issue of shares.

5. *Resolution 10 and 11: Proposed renewal of shareholders' mandate for existing recurrent related party transactions of a revenue or trading nature*

   The detailed information on the proposed renewal of shareholders' mandate for existing recurrent related party transactions of a revenue or trading nature, is set out in the Circular to Shareholders dated 29 July 2022 which is enclosed together with the Company's Annual Report 2022.

IMPORTANT NOTICE

In view of the COVID-19 pandemic, the Company has in place precautionary measure for the Annual General Meeting ("AGM") in order to safeguard the health of attendees at the AGM. You are requested to read and adhere to the Administrative Guide which can be downloaded from the Company's website.

We also wish to remind you to monitor the Company's website and announcements from time to time for any changes to the 97th AGM arrangement.

TALAM TRANSFORM BERHAD
Company Registration No:. 192001000012 (1120-H)
(Incorporated in Malaysia)

FORM OF PROXY

CDS Account No.	
No. of ordinary shares held	

*I/We ____
(Full Name of Shareholder as per NRIC/Passport/Certificate of Incorporation in capital letters)
(NRIC/Passport/Company No. ____________________) of ____________________
(Full Address)
____
(Full Address)
____________________ being a *member/members of **TALAM TRANSFORM BERHAD** ("the Company")

hereby appoint ____________________ (NRIC/Passport No. ____________________)
(Full Name of Proxy as per NRIC/Passport In capital letters)
of ____
(Full Address)
*and/ or ____________________ (NRIC/Passport No. ____________________)
(Full Name of Proxy as per NRIC/Passport In capital letters)
of ____
(Full Address)

**or failing him/her, the Chairman of the Meeting, as my/our proxy/proxies to attend and vote for me/us and on my/our behalf at the 97th Annual General Meeting ("97th AGM") of the Company to be held at Pusat Konvensyen, Triumph Convention Centre, Lot 1.01, Level 1, Menara Maxisegar, Jalan Pandan Indah 4/2, Pandan Indah, 55100 Kuala Lumpur on Thursday, 22 September 2022 at 11.30 a.m. and at any adjournment thereof.

NO.	RESOLUTIONS	FOR	AGAINST
As Ordinary Business			
1	To approve the payment of Directors' fees of RM25,000.00 for each Director for the financial year ended 31 March 2022.		
2	To approve the payment of Non-Executive Directors' remuneration (excluding Directors' fees) up to an amount of RM312,000.00 from 23 September 2022 until the next Annual General Meeting of the Company to be held in the year 2023.		
3	To re-elect the Director, Tan Sri Dato' (Dr) Ir Chan Ah Chye @ Chan Chong Yoon, who is retiring in accordance with Clause 110 of the Constitution of the Company.		
4	To re-elect the Director, Ms Chua Kim Lan who is retiring in accordance with Clause 110 of the Constitution of the Company.		
5	To re-appoint Messrs Baker Tilly Monteiro Heng PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
NO.	**RESOLUTIONS**	**FOR**	**AGAINST**
As Special Business			
6	Ordinary Resolution Proposed retention of Mr Tsen Keng Yam as Independent Non-Executive Director.		
7	Ordinary Resolution Proposed retention of Dato' Kamaruddin Bin Mat Desa as Independent Non-Executive Director.		
8	Ordinary Resolution Proposed retention of Datuk Dr Ng Bee Ken as Independent Non-Executive Director.		
9	Ordinary Resolution Authority to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
10	Ordinary Resolution Proposed renewal of shareholders' mandate for existing recurrent related party transactions of a revenue or trading nature ("Proposed Shareholders' Mandate I").		
11	Ordinary Resolution Proposed renewal of shareholders' mandate for existing recurrent related party transactions of a revenue or trading nature ("Proposed Shareholders' Mandate II").		

(Please indicate with an "X" in the appropriate spaces how you wish your vote to be casted. If you do not indicate how you wish your proxy to vote on any resolution, the proxy shall vote as he/she thinks fit, or at his/her discretion, abstains from voting.)

For appointment of two (2) proxies, percentage of shareholdings to be represented by the proxies must be indicated below:-	
	Percentage (%)
First proxy	
Second proxy	

____
Signature/Common Seal of Member(s)

Signed this ______________ day of ________________, 2022.

* Please delete if not applicable.

** If you do not wish to appoint the Chairman of the Meeting as your proxy/one of your proxies, please strike out the words "or failing him/her, the Chairman of the Meeting" and insert the name(s) of the proxy(ies) you wish to appoint in the blank space(s) provided.

NOTES:-

1. *A member of the Company entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxies to attend and vote in his stead. A proxy may but need not be a member of the Company. There shall be no restrictions as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the members to speak at the meeting.*

2. *Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*

3. *Where a member appoints two (2) proxies, the member shall specify the proportions of his shareholdings to be represented by each proxy.*

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

5. *The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing, or if the appointor is a corporation under its common seal or the hand of an officer or attorney duly authorised.*

6. *All Forms of Proxy must be deposited at the Registered Office of the Company situated at Unit 17.02, Level 17, Menara Maxisegar, Jalan Pandan Indah 4/2, Pandan Indah, 55100 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.*

7. *For the purpose of determining members who shall be entitled to attend this Annual General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a Record of Depositors as at 14 September 2022. Only members whose names appear therein shall be entitled to attend the said meeting or appoint a proxy to attend and vote on their behalf.*

8. *Pursuant to Paragraph 8.29(A)(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of this Annual General Meeting will be put to vote by poll.*

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STAMP

THE COMPANY SECRETARY
TALAM TRANSFORM BERHAD
[Company Registration No: 192001000012 (1120-H)]
Unit 17.02, Level 17, Menara Maxisegar
Jalan Pandan Indah 4/2
Pandan Indah
55100 Kuala Lumpur

Please fold here

Fold This Flap For Sealing

Unit 17.02, Level 17, Menara Maxisegar,
Jalan Pandan Indah 4/2,
Pandan Indah, 55100 Kuala Lumpur.

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