

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Infracarta Holdings Berhad (“Infracarta” or “the Company”) and its subsidiaries (collectively referred to as “the Group”) believes that the principles of good corporate governance such as integrity, transparency, accountability, and responsible conduct are important to achieve sustainable growth. Such principles must be supported by a comprehensive framework of policies, guidelines, and internal controls.

The Group’s corporate governance framework is set based on the following guidelines:

- the principles and recommendations of the Malaysian Code on Corporate Governance (“MCCG”) issued by the Securities Commission Malaysia in April 2021
- the corporate governance requirements of the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”)
- Corporate Governance Guide: 4th Edition in April 2021

This Corporate Governance Overview Statement (“Statement”) sets out the manner in which the Group has applied its corporate governance framework, in particular, the principles and recommendations articulated in the MCCG. The Board approved this Statement on 19 July 2024 and believes that it has in all material aspects complied with the principles and recommendations outlined in the MCCG. Where the recommendations relating to any principle have not been complied with, non-compliance is clearly stated, and reasons given. However, if alternatives have been adopted, it will be disclosed accordingly.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Clear Functions of the Board and Management

The Board Charter clearly sets out the framework of functions, roles, and responsibilities of the Board. It serves as a guide for good corporate governance practice and to ensure that there is a clear separation of functions between the Board and the Management.

The Management executes the corporate and business plans formulated by the Board and conduct meetings on a regular basis to discuss and review matters such as:

- Business strategies in line with the corporate direction;
- Strategies adopted in business operations;
- Important issues happening in operations; and
- Highlight important issues on effectiveness and efficiency of the system of risk management and internal control that has impact to the financial results.

Clear Roles and Responsibilities

The Board must ensure that the Directors are aware of their roles and responsibilities as outlined by the Board Charter. The principal responsibilities of the Board are as follows:

- review and adopt the strategic plan for the Group, including goal-setting, determine the Group’s business strategies to promote sustainability;
- approve management major proposal and monitoring the implementation of strategic plan by management; review and evaluate key policies adopted by the Group;
- appoint Chief Executive Officers and work closely with them to formalize and focus on business and operational strategies; review the results from time to time to achieve the intended results;
- oversee the conduct of the Group’s business and operations and evaluate whether the businesses are being properly managed;
- identify principal business risks faced by the Group and ensure the implementation of appropriate risk management and internal control framework and mitigating measures to address such risks;
- ensure that all candidates appointed to the Board are of sufficient caliber, including succession and diversity of the members of the Board;
- establish Board committees and be responsible for all decisions made by the committees;



CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

Clear Roles and Responsibilities (Cont'd)

- review the adequacy and integrity of the Group's internal control and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines on a quarterly basis;
- deliberate on proposals presented and recommended, including those proposed by its committees on a quarterly basis;
- reviewing the Group's performance on a quarterly basis;
- receiving updates on various business operations from the Management;
- bringing independent judgment and scrutiny to decisions taken by the Board and providing objective challenges to the Management; and
- approving the declaration of dividends and approval of financial statements, including accounting policies of the Group.
- approve the Directors' Report and Audited Accounts for the financial year ended 31 March 2024;
- approve the reports of the Audit, Nomination, Risk Management and Remuneration Committees and to note the minutes of the Board Committees meetings on a quarterly basis;
- review the Group's strategies and plans;
- receive quarterly updates from the Executive Director on significant changes in the business and the external environment which affects the businesses and operations;
- approve the General Budget and Capital Expenditure Budget;
- review the risk management framework of the Group and update on management of major business risks by the Group on a quarterly basis;
- approve the re-appointment of the Group's External Auditors and ensure that the External Auditors meet the criteria provided by Paragraph 15.21 of the Listing Requirements;
- approve the Annual Report 2024;
- note the semi-annual returns of the Company;
- note the amendments to the Bursa Securities Listing Requirements;
- reviewed and discussed with the internal auditor on the results of the internal audit reports; and
- review of the effectiveness of the Board meetings.

The Board will also be involved in deliberation and decision making process to ensure the direction and control of the Group's businesses and resources are in good hands. Amongst others:

- reviewing and approval of Group's strategic plan and annual budget;
- acquisition and disposal or closure of businesses;
- declaration of dividends and approval of financial statements;
- establishment of new or diversified businesses;
- material capital investment and disposal of tangible assets from existing businesses to third parties;
- increase or reduction of subsidiaries issued capital; and
- any corporate restructuring not covered by the abovementioned paragraphs.

The Board monitors the progress of Group's strategies and performance, ensures Key Management continuity with proper succession plan and reviews internal control and risk management system. The Board delegates some of these responsibilities to Board Committees such as the Audit Committee, the Nomination Committee, the Risk Management Committee and the Remuneration Committee.

The Board's activities for the financial year ended 31 March 2024 comprised the following:

- review and approve the 2024 quarterly results;

The Group has various departments and management teams to manage the businesses. Their roles and responsibilities are clearly defined. For example, in the event of resignation from any Key Management personnel, replacement will be sought within and outside of the Group during the notice period. Failing which, internal coordination will be carried out to mitigate the risk of short-handed and miss-match of skilled personnel.

The same applies to the Board. The Board is made up of members from different skill sets and professions that will contribute to the Group's growth. The Nomination Committee will take responsibility for sourcing replacements in succession planning for the Board members.

Shareholders are encouraged to provide their views and expectations to the Board. The Board conducts dialogues with some major shareholders from time to time. Shareholders are also given opportunities to express their views during Annual General Meetings ("AGM"). They can also exchange their points of view through our official website.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

The Board Charter provides clarity on Board practices in upholding corporate governance and serves as a reference point for Board activities, which include the following key areas:

- The Board principal role and responsibilities;
- The Board structure, including Board balance and Directors' tenure;
- The Board members, Board committees, Key Management and Company Secretary roles and responsibilities;
- The Board governance processes, including meetings, appointment, re-appointment and removal of Directors; and
- The Board Committees, including the Terms and References of the Audit, Nomination, Remuneration and Risk Management Committees.

The last review of the Board Charter was conducted on 24 November 2022.

Formalizing Ethical Standard through a Code of Conduct

The Board has a collective responsibility for the management of the Group. The Non-Executive Directors are responsible for bringing independent judgment and scrutiny to decisions taken by the Board and providing objective challenges to the Key Management.

The Company assesses the independence of the Directors in accordance with the criteria stipulated in paragraph 1.01 of the Listing Requirements, which states that a Director needs to be independent from management and free from any business or other relationship which could interfere with his independent judgment or ability to act objectively and in the best interest of the Company.

All Independent, Non-Executive Directors do not participate in the day-to-day management of the Group and do not engage in any business dealings or other relationships with the Group. This is to ensure that they are capable of exercising judgment objectively whilst acting in the best interest of the Group, its stakeholders, and shareholders, including minority shareholders.

Anti-Bribery and Corruption Policy ("ABC Policy")

In accordance with the Malaysian Anti-Corruption Commission (Amendment) Act 2018 ("MACC Act 2018"), the Company has implemented an ABC Policy to foster a culture of integrity and transparency throughout all activities of the Group. The policy outlines the responsibilities of the Company and its employees in maintaining the Group's stance against bribery and corruption and provides essential anti-bribery and corruption principles that apply to all interactions with customers, business partners, and third parties. Additionally, the policy establishes guidelines for the prevention, management, and remediation of bribery and corruption-related risks.

The Group conducts all its business in an honest and ethical manner and takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships. The Group is also committed in upholding all laws relevant to countering bribery and corruption in Malaysia and all other jurisdictions in which it operates.

The ABC Policy will be reviewed at least once in every three (3) years and in accordance with the needs of the Company. This is accessible to the employees or other stakeholders at <https://www.infraharta.com/index.php/investor-relations/corporate-governance>.

Whistleblowing

The Whistleblowing Policy and Procedure is available for the employees to raise their concerns on any illegal, unethical, or fraudulent activities being committed against the Group, without the risk of reprisal. This will assist the Group to generate and enhance a healthy system of reporting undesired and unwanted activities while encouraging the employees to protect and preserve the prosperity and growth of the Group.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

Review Conflict of Interest Situation and Related Party Transactions

In accordance with the Corporate Governance Guide (4th Edition) - "Review of Conflict of interest situations and related party transactions", the Management has established a comprehensive Framework for the purposes of identifying, evaluating, approving, reporting and monitoring such situations and transaction throughout all activities of the Group.

Conflicts of interest situations generally refer to circumstances where a person with a vested interest in the Group is in a position or has the opportunity to influence the Group's business or other decisions in ways that could lead to personal gain or advantage of any kind ("interested parties").

A related party transaction ("RPT") meanwhile is a transaction entered into by the Group or its subsidiaries which involves the interest, direct or indirect, of a related party.

Paragraph 1.01 of Bursa Securities Listing Requirements defines a related party in relation to a corporation as a director, major shareholder or person connected with such director or major shareholder. Transactions that fall within the ambit of related party transactions include the acquisition, disposal or leasing of assets, establishment of joint ventures, provision of financial assistance, provision or receipt of services or any business transaction or arrangement entered into by the listed issuer or its subsidiaries.

The Audit Committee is tasked under paragraph 15.12(1) (h) of Bursa Securities Listing Requirements to review and report to the Board on any related party transactions (including recurrent related party transactions) and conflict of interest situations that may arise within the Group. This includes any transaction, procedure or course of conduct that raises questions of Management's integrity. The Audit Committee should therefore ensure that the transactions carried out are amongst others, in the best interest of the Company as well as not detrimental to the minority shareholders. The Company Secretary aids the annual independence and conflict of interest self-declaration by the Directors.

At the end of the financial year 2024, there were no conflicts of interest or related party transactions to be identified.

Strategies Promoting Sustainability

The Board ensures that the Company strategies on sustainability with attention given particularly to the environmental, social and governance ("ESG") pillars of sustainability. The importance of sustainability as a key driver for long-term business growth and believes that business success should be measured in a holistic manner rather than just by financial profits. The Board is mindful of the need to develop the Group's business by practicing, preserving and promoting activities that contributed to the ESG pillars. The Company strives to achieve a sustainable long-term balance between meeting its business goals and compliance to relevant environmental and related legislation as well as ensuring a safe and healthy working environment.

Access to Information and Advice

The Directors have individual, unrestricted and independent access to Key Management to obtain relevant information on issues under their respective portfolios.

The Board may also seek independent professional advice, when necessary, under company expense to discharge their duties when necessary. Prior to engaging an independent adviser, approval must be obtained from the Chairman and, where applicable, the Chairman may bring up the request for the Board's evaluation on the need for external advice.

Management reports are submitted to Executive Director for review at fixed intervals. Draft quarterly results are provided to Board members prior to the Board meetings in order for them to comment and deliberate and prepare themselves for the Board meetings.

Support from Qualified and Competent Company Secretary

The Board is satisfied with the performance and support provided by the Company Secretary. As a professional Company Secretary, she provides valuable and relevant advice to the Directors on compliance and maintaining good corporate governance within the Group.

All Directors have unrestricted access to the advice and services of the Company Secretary to enable them to discharge their duties effectively. The Company Secretary, who is qualified, experienced, and competent, ensure compliance of relevant regulatory requirements and best practices and advises the Board on updates relating to new statutory and regulatory requirements pertaining to the duties and responsibilities of the Directors, their impact and implication to the Group, including fiduciary duties and responsibilities.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

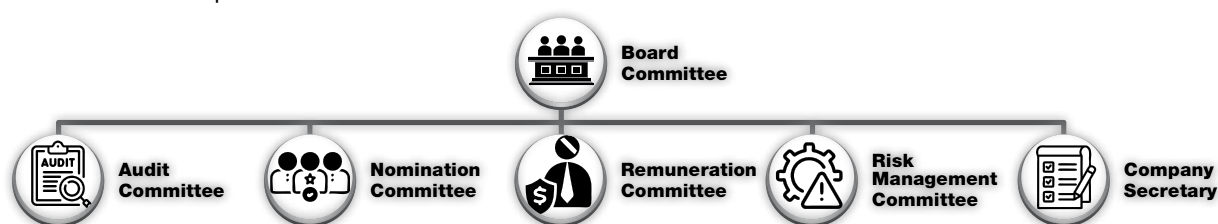
PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)***Support from Qualified and Competent Company Secretary (Cont'd)***

The Company Secretary organizes and attends all Board and Board Committee meetings and ensures that these meetings are properly convened; follows-up on matters arising; ensure accurate and proper records of the proceedings and resolutions passed. Such documentation is properly maintained at the registered office of the Company.

The Company Secretary is also responsible for maintaining the documentation of the Board such as meeting papers and minutes. These documentations of the Board and its Committees will be produced for inspection, if required.

Delegation to Board Committees

The Board may from time to time and as required establish committees appropriate to assist it in carrying out fiduciary duties and responsibilities. The Board delegates certain functions to the following committees in the execution of its responsibilities:



The committees operate under approved Terms of Reference and are authorized by the Board to deal with and deliberate or to advise and recommend to the Board on matters delegated to them within their Terms of Reference.

The Chairman of the respective committees reports to the Board on the conclusions of the committee meetings and the minutes of such committee meetings will be noted by the Board. For matters that are reserved for the Board's decision, the respective committees, having deliberated the matters, would include the committees' recommendations in their reports to the Board for the Board's decision. The Terms of Reference for each committee are published on the Company's website.

➤ **Risk Management Committee**

The Risk Management Committee is responsible and accountable for maintaining reliable and effective risk management practices to safeguard and enhance the Group's assets and shareholders' investments. The Committee supports the Board in fulfilling its responsibilities in identifying significant risks relevant to the Group's business. It also ensures the implementation of relevant and appropriate risk management programs and systems to manage the overall risk exposure of the Group. The Risk Management Committee reports to the Board after every meeting on work carried out, key deliberations and decisions taken on delegated matters.

The last review of the Terms of Reference of Risk Management Committee was conducted on 29 August 2023.

➤ **Audit Committee**

The summary Terms of Reference of the Audit Committee (including its key function, roles and responsibilities) have been approved by the Board and the summary of Audit Committee's activities for the financial year ended 31 March 2024 can be found in the Audit Committee Report.

➤ **Nomination Committee**

The Nomination Committee, under its Terms of Reference, performs an annual review on the required mix of competencies, commitment and performance of Board members and the effectiveness of the Board and Committees as a whole and reviews Board succession plan.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**Delegation to Board Committees (Cont'd)**➤ **Nomination Committee (Cont'd)**

When selecting new Directors, the Nomination Committee is responsible for assessing the candidates for the proposed directorship and submitting their recommendations to the Board for decision. When the candidate is approved by the Nomination Committee, the candidate will then be proposed to the Board. The Board will assess the skills set requirements and discuss through the fitness based on the selection factors and skills of the candidate and make the final decision for approval of the candidate.

The main activities carried out by the Nomination Committee during the financial year ended 31 March 2024 are as follow:

- reviewed the required mix of skills and experience, fit and proper criteria and other qualities of the Directors and to assess the effectiveness of the Board as a whole;
- discussed and determine the directors retiring by rotation and re-appointment in accordance with the Constitution of the Company; and
- reviewed trainings attended by the Directors, assess the training needs, and recommend suitable orientation, education, training programme for the continuous development of each Director.

➤ **Remuneration Committee**

The Remuneration Committee is responsible for establishing a formal and transparent policy on Executive Director's remuneration and fixing the remuneration of individual directors. The Executive Director abstain from participating in discussions and decisions on matters directly involving them to avoid any existing/potential conflict of interest.

The range and aggregate remunerations received by Directors of the Company, distinguishing between Executive and Non-Executive Directors, for the financial year ended 31 March 2024 are categorized as follows:-

Company		Fees	Salaries	Other Emoluments*	Total	Benefit in Kind
		RM	RM	RM	RM	RM
Executive Director						
Law Ngia Meng	Current	–	180,000	30,513	210,513	–
Independent Non-Executive Directors						
Dato' Sri Hj. Wan Adnan Bin Wan Mamat	Current	144,000	–	3,200	147,200	7,200
Chai Hann Lin	Current	60,000	–	10,400	70,400	–
Dato' Dr. Hj. Shamsul Anwar Bin Sulaiman	Current	60,000	–	10,400	70,400	–
Wong Kwai Wah	Current	60,000	–	4,000	64,000	24,250
Noor Hazley Zuana Binti Mamat	Current	60,000	–	9,600	69,600	–
TOTAL		384,000	180,000	68,113	632,113	31,450

* Other emoluments include meeting allowances and statutory contributions.

None of the Directors of the Company received any remuneration from the subsidiaries of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

Delegation to Board Committees (Cont'd)

➤ Remuneration Committee (Cont'd)

The aggregate remunerations of the top five (5) Key Management of the Group for the financial year ended 31 March 2024 are categorized as follows:-

Key Management	Remuneration					Benefit in Kind
	RM 0 - RM50,000	RM 50,001 - RM100,000	RM100,001 - RM150,000	RM150,001 - RM200,000	RM 200,001 - RM250,000	RM 0 - RM50,000
SM 1	–	–	–	–	✓	✓
SM 2	–	–	–	✓	–	✓
SM 3	–	–	–	✓	–	✓
SM 4	–	–	–	–	✓	✓
SM 5*	–	–	✓	–	–	–

* Resigned on 5 July 2024.

The Company has not disclosed on a named basis the top five (5) Key Management's remuneration in view of the competitiveness in the market for senior talent.

The Board determines the Directors' remunerations including fees to the Directors, which are subject to shareholders' approval during the AGM.

The attendances of Directors who are members of Board Committee during the financial year ended 31 March 2024 are as follow:

Directors	Designation	Audit Committee	Nomination Committee	Risk Committee	Remuneration Committee	Board Meeting
Dato' Sri Hj. Wan Adnan Bin Wan Mamat	Chairman, Independent Non-Executive Director	Non member	Non member	Non member	Non member	4/5
Dato' Dr. Hj. Shamsul Anwar Bin Sulaiman	Independent Non-Executive Director	5/5	1/1	1/1	1/1	5/5
Law Ngia Meng	Executive Director	Non member	Non member	0/1	Non member	4/5
Chai Hann Lin	Independent Non-Executive Director	5/5	1/1	1/1	1/1	5/5
Wong Kwai Wah	Non-Independent Non-Executive Director	Non member	Non member	Non member	Non member	5/5
Noor Hazley Zuana Binti Mamat	Independent Non-Executive Director	5/5	1/1	Non member	1/1	5/5



CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

Delegation to Board Committees (Cont'd)

For the financial year ended 31 March 2024, the Board was satisfied that the Board and Board Committees have discharged their duties and responsibilities effectively. The Board was also satisfied that the Board composition in terms of size, the balance between Executive, Non-Executive and Independent Directors and mix of skills were adequate.

Board and Committees Assessment

The Committee has established a formal evaluation process to assess the effectiveness of the Board and Board Committees in terms of their composition, independency, effectiveness and accountability, and the contribution and performance of individual Directors and Key Officers including their roles and responsibilities, competency, and expertise.

Chairman

The Company's Chairman is an Independent Non-Executive Director. The Chairman plays an important role for the Group with his leadership skills which allows him to give the right judgment and recommendations that benefits the Company's functions and operations. The Chairman also help to ensure that the interests of all stakeholders are taken into account and that the relevant issues are subjected to objective and impartial consideration by the Board.

Board Diversity

Diversity in the Board's composition is essential to facilitate good decision-making as this enables different insights and perspectives to be harnessed. This diversity criteria may include competencies, skills, knowledge, experience, ethnicity, gender, age, and educational background. The Group's Board Diversity Policy seeks to be inclusive and eradicate any form of discrimination, may it be on the basis of gender, age, ethnicity, or other factors. In terms of diversity in skills, experience and competencies, the Board comprises members with various professional backgrounds and expertise from the fields of construction & property development, medical, financial, investment, information technology, accounting, management, business, and public administration, all of whom bring in-depth and diverse experiences, expertise, and perspectives to the Group's operations to ultimately enhance shareholders' value for the long-term. The Board's composition is further strengthened with the appointment of one new female board member, namely Noor Hazley Zuana Binti Mamat with expertise and skills in the accounting and property management. Noor Hazley Zuana Binti Mamat joined as Independent Non-Executive Director on 21 February 2023.

The Board will monitor the Company's performance in meeting the target and shall review the policy and target set to achieve gender diversity in the boardroom as and when needed.

Annual Assessment of Independence

The Board assesses the independence of Independent Non-Executive Directors annually. The Board considers the individual Director's ability to exercise independent judgment and deliberations as well as the effective functioning of the Board as a whole.

The Board does not have a term limit for its Independent Directors and is of the view that the independence of the Independent Directors should not be determined solely or arbitrarily by their tenure of service. The Board believes that continuous contributions from the Independent Directors will provide invaluable benefits to the Board and the Group as a whole, especially through their immense knowledge of the Group's financial and operations policies which they gained throughout the years. The caliber, qualification, experience, and personal traits, particularly of the Independent Directors' integrity and objectivity in discharging their responsibilities in the best interest of the Group, predominantly determines the ability of them serving effectively and impartially.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

Composition of Board and Independence

The Board has six (6) members, comprising an Independent Non-Executive Chairman, an Executive Director, three (3) Independent Non-Executive Directors and a Non-Independent Non-Executive Director. The composition of the Board complied with paragraph 15.02 of the Bursa Securities Listing Requirements. The Chairman of the Board is Dato' Sri Hj. Wan Adnan Bin Wan Mamat, an Independent Non-Executive Director, who is objective and upholds his intellectual integrity in leading the Board.

In accordance with the Company's Constitution, at least one-third (1/3), or the number nearest one-third (1/3) of the remaining directors including Executive Director shall retire from office and be eligible for re-election at each AGM provided that all Directors shall retire from office at least once in every three (3) years but shall be eligible for re-election.

Time Commitment

The Board and Board Committee meetings are scheduled well in advance, i.e. in the last quarter of the preceding financial year, to facilitate the Directors in planning ahead and to ensure that the dates of the Board and Board Committees meetings are booked in their respective schedules. Additional meetings are convened when urgent and important decisions need to be made in between scheduled meetings.

The Board is satisfied with the level of time commitment contributed by the Directors in discharging their roles and responsibilities as Directors of the Company.

During the financial year ended 31 March 2024, five (5) Board meetings were held. The details of the Directors' attendances are as follows:

Directors	Designation	Meetings Attended	%
Dato' Sri Hj. Wan Adnan Bin Wan Mamat	Chairman, Independent Non-Executive Director	4/5	80%
Dato' Dr. Hj. Shamsul Anwar Bin Sulaiman	Independent Non-Executive Director	5/5	100%
Law Ngia Meng	Executive Director	4/5	80%
Chai Hann Lin	Independent Non-Executive Director	5/5	100%
Wong Kwai Wah	Non-Independent Non-Executive Director	5/5	100%
Noor Hazley Zuana Binti Mamat	Independent Non-Executive Director	5/5	100%

Training

In order for the Directors to enhance their business acumen and professionalism in discharging their duties to the Group, all the Directors are encouraged to attend courses, whether in-house or external as part of the continuing development in gaining relevant knowledge and updates.

From time to time, the Directors are provided with hard copies of reading materials pertaining to the latest developments in areas relating to the Directors' roles and responsibilities. They are encouraged to attend appropriate external trainings on the subject matter that aid the Directors in the discharge of their duties and responsibilities.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

Training (Cont'd)

The External Auditors also continuously brief the Audit Committee on any changes to the Malaysian Financial Reporting Standards that affect the Group's financial statements during the year.

In addition, the Company Secretary also receives regular updates on training programmes from various organisations including the regulators. These updates are circulated to the Directors for their consideration.

The Directors that attended external training during the financial year ended 31 March 2024 are as follow:

Directors	Seminar/Training Attended
Dato' Sri Hj. Wan Adnan Bin Wan Mamat	Changes to the Malaysian Code on Corporate Governance 2021 Edition – How they impact the Company, its Board of Directors, Board Committees & Management
Dato' Dr. Hj. Shamsul Anwar Bin Sulaiman	Changes to the Malaysian Code on Corporate Governance 2021 Edition – How they impact the Company, its Board of Directors, Board Committees & Management
Law Ngia Meng	Changes to the Malaysian Code on Corporate Governance 2021 Edition – How they impact the Company, its Board of Directors, Board Committees & Management
Chai Hann Lin	Changes to the Malaysian Code on Corporate Governance 2021 Edition – How they impact the Company, its Board of Directors, Board Committees & Management
Wong Kwai Wah	Changes to the Malaysian Code on Corporate Governance 2021 Edition – How they impact the Company, its Board of Directors, Board Committees & Management
Noor Hazley Zuana Binti Mamat	Changes to the Malaysian Code on Corporate Governance 2021 Edition – How they impact the Company, its Board of Directors, Board Committees & Management

The MCCG 2021 addresses the urgent need for listed issuers to manage Environmental, Social and Governance (“ESG”) risks and opportunities, with the introduction of five (5) new Practices that emphasize the need for collective action by Boards and Key Management. The global commitment and acceleration of efforts to transition towards a net zero economy has resulted in demand for greater action on the part of corporates.

The Board of Infraharta intends to apprise all Board members of the Company as well as Management of changes in the MCCG 2021 and their implications to the Group. The Training is tailored to the Group based on an understanding of its current corporate governance set-up and practices.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Assessing the Suitability and Independence of External Auditors

The Audit Committee conducts an annual review of the suitability and independence of External Auditors. The Audit Committee meets with External Auditors at least once a year to discuss audit plan, findings, and financial statements without the presence of any Executive Director and the Management. The External Auditors also made a representation in their Group Audit Planning Memorandum to reaffirm their independence of their engagement.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)***Internal Audit Function***

The internal audit function of the Group was outsourced to a professional firm, Vaersa Advisory Sdn. Bhd., which adopts a risk-based audit approach in discharging their responsibilities. They review the Company's system of internal controls, effectiveness of corporate governance, risk management and regulatory compliances and report on its adequacy and efficiency to the Audit Committee.

Risk Management and Internal Control Framework

The Board recognizes the critical importance of maintaining a robust risk management and internal control system to effectively mitigate the Group's overall risk exposure. The Audit Committee plays a pivotal role in supporting the Board by overseeing the continual identification, evaluation, control, monitoring, and reporting of significant risks encountered by the Group. This includes proposing remedial actions to address identified risks.

Within the Group, an internal audit function was outsourced to a professional firm, Vaersa Advisory Sdn. Bhd., direct report to the Audit Committee. Its primary responsibility is to assess the adequacy and effectiveness of the Group's governance, risk management, and internal control processes. The internal auditors present their audit findings and recommendations to the Audit Committee. The Audit Committee thoroughly evaluates and monitors these findings, ensuring that significant risks are promptly escalated to the Board's attention.

Comprehensive information regarding the Group's risk management and internal control practices is detailed in the Statement on Risk Management and Internal Control, available in this Annual Report.

Moreover, the Group has established procedures for managing sustainability matters deemed material, encompassing economic, environmental, and social risks and opportunities. Details on the management of such sustainability concerns are outlined in the Sustainability Statement of this Annual Report.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS***Compliance with Applicable Financial Reporting Standards***

To assist in the discharge of its duties on financial reporting, the Board has established an Audit Committee. The Audit Committee assists the Board in reviewing the financial statements which are prepared in accordance with the Companies Act, 2016 and Malaysian Financial Reporting Standards and International Financial Reporting Standards to ensure that they give an accurate, adequate, and complete reporting in order for the Board to present quarterly results and annual audited results announcements.

Communication with Stakeholders

The Board identifies the great importance of transparency and accountability to its shareholders, maintaining an effective communication policy that fosters clear and open dialogue with both shareholders and the broader public. Utilizing various platforms, including Bursa LINK announcements, disclosures on the Company's website, and engagement through the investor relations function, the Board ensures proactive communication with stakeholders.

The Company's website serves as a primary channel for communication with shareholders, investors, and the public. It serves as a comprehensive repository of information pertaining to the Group's business activities, financial performance, significant corporate developments, and other matters relevant to stakeholders' interests. Shareholders and interested parties can access the Company's quarterly results, annual reports, and all corporate announcements released to Bursa Malaysia Securities Berhad through the Company's website, facilitating easy access to pertinent information.

The Company has delegated the Executive Director and certain Key Management to be the spoke-persons on official business, corporate events and announcements. There is also a "Contact Us" icon in our Company's website to allow any inquiry to be communicated to the right channel and obtain a response within a reasonable time.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

Conduct of General Meetings

The Company views its AGM as a vital platform for engaging with its shareholders. Adhering to principles of good corporate governance, the notice of the upcoming AGM and Annual Report were issued at least 28 days prior to the AGM, ensuring shareholders have ample time to review the Annual Report thoroughly. The Board actively encourages shareholders to inquire about proposed resolutions at the AGM, as well as any other matters related to the Group's business activities. Directors, Key Management and External Auditor of the Company will be present at the AGM to address questions and concerns raised by shareholders, fostering open dialogue and transparency.

Encourage Shareholder Participation at General Meetings

The Company serves ample notice to shareholders regarding details of AGM, their rights, and entitlements to attend the meetings. The Company also encourages shareholders to attend or appoint appropriate proxies with no qualification restriction who will have equal rights as members to speak at the meetings.

In line with the Listing Requirements of Bursa Securities, the Company has implemented and will continue to utilise poll voting for all proposed resolutions set out in the notice of any general meeting. To ensure transparency and accuracy, an independent scrutineer will be appointed to tabulate and validate the votes cast at any general meeting of the Company.

Compliance with MCCG

The Board considers that the Company has complied with the provisions and applied the key principles of the MCCG throughout the financial year ended 31 March 2024 except for below where the explanation for departure is disclosed in the Corporate Governance Report:

Practice 5.9: The Board comprises at least 30% women directors.

Practice 5.10: The Board discloses in its Annual Report the Company's policy on gender diversity for the Board and Key Management.

Practice 8.2: The Board discloses on a named basis the top five (5) Key Management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

Practice 12.2: Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

NOMINATION COMMITTEE STATEMENT

The Nomination Committee (“NC”) assists the Board of Directors (“Board”) of Infraharta Holdings Berhad (the “Company”) in discharging its responsibilities by overseeing the selection and assessment of Directors to ensure that the composition of the Board meets the needs of the Company and its subsidiaries. The Terms of Reference for the NC can be found on the Company’s website at www.infraharta.com.

MEMBERS AND MEETINGS

There was one (1) NC meetings held during financial year ended 31 March 2024, the detail of attendance is stated below:

Nomination Committee	Directorship	Meetings Attended	%
Dato' Dr. Hj. Shamsul Anwar Bin Sulaiman (Chairman)	Independent Non-Executive Director	1/1	100
Chai Hann Lin	Independent Non-Executive Director	1/1	100
Noor Hazley Zuana Binti Mamat	Independent Non-Executive Director	1/1	100

COMPOSITION

The Committee shall comprise at least three (3) members, a majority of whom shall be Independent Directors. All members of the NC shall be Non-Executive Directors.

The Chairman, who shall be elected by the NC, must be an Independent Director. In the absence of the Chairman of the NC, the other members of the NC shall amongst themselves elect an Independent Director to chair the meeting.

NOMINATION, ELECTION AND SELECTION OF DIRECTORS

The Board has adopted the Directors’ Fit and Proper Policy to ensure a formal, rigorous and transparent process for the appointment and re-election of Directors of the Company and its subsidiaries (the “Group”). The Directors’ Fit and Proper Policy has been prepared to ensure compliance with the relevant provisions of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad and reference was made to the guidance provided in Corporate Governance Guide issued by Bursa Malaysia Berhad.

The processes for assessing the fitness and propriety to act as a Director of the Group are requires the following steps:

- Identification of skills applicable/required for new candidates;
- Selection of candidates/annual evaluation of existing Directors;
- “Fit and Proper” assessment by the NC based on criteria mentioned below;
- Interaction with candidate(s) and between existing Directors;
- NC’s evaluation, deliberation and confirmation that the new Director is fit and proper for purposes of the Board and the Group;
- Recommendation by NC for the Board’s approval; and
- Decision by the Board on the recommended appointment/evaluation of the new or existing Director, as the case may be.

For the re-election of Director, the annual evaluation of the Director based on the Directors’ Evaluation Form shall include the fit and proper criteria to ensure the Director meets the criteria on a continuing basis. The NC shall make recommendation to the Board on the re-election of the Director based on the results of the evaluation.



NOMINATION COMMITTEE STATEMENT

(CONT'D)

NOMINATION, ELECTION AND SELECTION OF DIRECTORS (CONT'D)

In assessing if a candidate is fit and proper to act as a Director of the Group, the NC and the Board should consider factors which includes but are not limited to the following:

- (a) Character and Integrity - probity, honesty, personal integrity, financial integrity, and reputation.
- (b) Experience and Competence - qualifications, training and skills, relevant experience and expertise, relevant past performance, or track record.
- (c) Time and Commitment - ability to discharge role having regard to other commitments, participation and contribution in the Board or track record.

SUMMARY OF ACTIVITIES

The activities carried out by the NC include:-

1. Identify, assess and recommend to the Board the candidature and appointment of members of the Board and the Board Committees. In assessing the suitability of candidates, consideration shall be given to the competencies, commitment, contribution and performance of the candidates.
2. Oversee the nomination and election process of members of the Board and the Board Committees.
3. Develop, maintain and review the criteria used in the selection and assessment of members of the Board and the Board Committees.
4. Contribute towards ensuring that the Board composition and size meets the current and future needs of the Company.
5. Implement a process annually for assessing the effectiveness of the Board as a whole, the Board Committees and individual Directors. All assessments and evaluations shall be properly documented.
6. Review the term of office and performance of the Audit Committee and each of its members annually to determine whether the Audit Committee and members have carried out their duties in accordance with their Terms of Reference.
7. Periodically review and recommend revisions that may be required by the Board Diversity Policy and Directors' Fit and Proper Policy, as appropriate to ensure its continued effectiveness, and recommend any such revisions to the Board for consideration and approval.
8. Evaluate the eligibility of Directors who are due for retirement at the annual general meeting to stand for election/re-election/re-appointment and recommend to the Board for approval.
9. Undertake assessment of its Independent Directors annually and determine whether the Board member can remain as an Independent Directors after serving a cumulative term of nine (9) years.
10. Develop the criteria to assess the independence of Directors for the Board annually, and to apply the criteria for the admission/nomination/election of Independent Directors when any new interest or relationship develops.
11. Facilitate the Board induction and training programs.
12. Assist the Board to evaluate and determine the training needs of its Directors and review training programs for the Board.

Based on the assessments conducted in the financial year under review, it was concluded that the Board and its Committees had operated effectively and possessed all necessary skills, experience and qualities required from them.

The Nomination Committee Statement is made in accordance with the resolution of the Board on 19 July 2024.



AUDIT COMMITTEE REPORT

MEMBERS OF THE AUDIT COMMITTEE

The members of the Audit Committee (“the Committee”) are as follows: -

- **Noor Hazley Zuana Binti Mamat (Chairperson)**
Independent Non-Executive Director
- **Dato’ Dr. Hj. Shamsul Anwar Bin Sulaiman**
Independent Non-Executive Director
- **Chai Hann Lin**
Independent Non-Executive Director

The Chairperson, **Noor Hazley Zuana Binti Mamat**, is a member of the Malaysian Institute of Accountants, who fulfils the requirement of Chapter 15.09(1)(c)(i) of the Listing Requirements. None of the members of the Committee were former audit partners of the External Auditors appointed by the Group.

TERMS OF REFERENCE

The Committee is governed by the following Terms of Reference:

1. Composition

The Committee shall be appointed from amongst the Board and shall comprise at least three (3) members, a majority of whom shall be Independent Directors. All members of the Committee shall be Non-Executive Directors.

All members of the Committee shall be financially literate and at least one (1) shall be a member of the accounting association or body.

All members of the Committee, including the Chairperson, will hold office only so long as they serve as Directors of the Company. Should any member of the Committee ceases to be a Director of the Company, his/her membership in the Committee would cease forthwith.

In the event of any vacancy with the result that the number of members is reduced to below three, the vacancy must be filled within three (3) months.

2. Chairperson

The Chairperson, who shall be elected by the Committee, must be an Independent Director.

3. Secretary

The Company Secretary shall be the secretary of the Committee and shall be responsible, in conjunction with the Chairperson, for drawing up the agenda and circulating it prior to each meeting.

The Secretary shall also be responsible for keeping the minutes of meetings of the Committee and circulating them to the Committee members.



AUDIT COMMITTEE REPORT

(CONT'D)

TERMS OF REFERENCE (CONT'D)

4. Meetings

The quorum for a meeting shall be two (2) members, provided that the majority of the members present at the meeting shall be independent.

The Chief Financial Officer, the representative of the internal audit and the external audit shall normally attend meetings. Other Board Members and/or Management team may attend meetings upon the invitation of the Committee. However, the Committee shall be able to convene meetings with the External Auditors, the Internal Auditors or both, excluding the attendance of other Directors and employees of the Company, whenever deemed necessary.

The Chairperson of the Committee shall engage on a continuous basis with Key Management, such as the Chairperson, the Chief Executive Officer, the Chief Financial Officer, the Head of Internal Audit and the External Auditors in order to be kept informed of matters affecting the Company.

Meetings shall be held at least four (4) times a year or at a frequency to be decided by the Committee.

5. Rights

The Committee shall:-

- (a) have explicit authority to investigate any matter within its Terms of Reference;
- (b) have the necessary resources which it needs to perform its duties;
- (c) have full and unrestricted access to any information which it requires in the course of performing its duties;
- (d) have unrestricted access to the Chief Executive Officer and the Chief Financial Officer;
- (e) have direct communication channels with the External Auditors and Internal Auditors; and
- (f) be able to obtain independent professional or other advice in the performance of its duties at the cost of the Company.

6. Duties

The duties of the Committee shall include a review of:-

- (a) the nomination of External Auditors;
- (b) the adequacy of existing external audit arrangements, with particular emphasis on the scope and quality of the audit;
- (c) the adequacy and effectiveness of the internal control and management information systems;
- (d) the financial statements of the Company with both the External Auditors and Management;
- (e) the External Auditors' audit report;
- (f) any management letter sent by the External Auditors to the Company and the Management's response to such letter;
- (g) any resignation of the Company's External Auditors;
- (h) the assistance given by the Company's officers to the External Auditors;
- (i) all areas of significant financial and operational risks and the arrangements in place to contain those risks to acceptable levels;
- (j) all related-party transactions and potential conflict of interests situations; and
- (k) the internal audit function including:-
 - i. the adequacy of the scope, functions, competency and resources of the internal audit function, and that it has the necessary authority to carry out its work; and
 - ii. the internal audit program and the results of the internal audit process and, where necessary, ensure that appropriate actions are taken on the recommendations of the internal audit function.

AUDIT COMMITTEE REPORT

(CONT'D)

ATTENDANCE OF MEETINGS

There were five (5) meetings held during the financial year ended 31 March 2024 ("FY 2024"). The details of attendance of each member at the Committee meetings held during the financial year are stated below:

Audit Committee	Directorship	Meetings Attended	%
Noor Hazley Zuana Binti Mamat (Chairperson) (Appointed on 21 February 2023)	Independent Non-Executive Director	5/5	100
Dato' Dr. Hj. Shamsul Anwar Bin Sulaiman (Appointed on 28 February 2022)	Independent Non-Executive Director	5/5	100
Chai Hann Lin (Appointed on 17 November 2021)	Independent Non-Executive Director	5/5	100

The Partner of the External Auditors, Executive Director and relevant members of Key Management attended the meetings upon the invitation of the Committee.

Deliberations during the Committee's meeting including issues discussed and decisions were recorded. Minutes of the Committee's meetings would be tabled for confirmation at the next Committee's meeting and subsequently tabled at the Board meeting for notation.

SUMMARY OF ACTIVITIES

The activities carried out by the Committee during the FY 2024 include:-

- (a) Reviewed the interim financial results, analyze trend of financial numbers, query on significant issues and indicators before recommending the same for the Board's approval.
- (b) Reviewed the Annual Audited Financial Statements of the Group together with the External Auditors before recommending the same for the Board's approval.
- (c) Reviewed the Audit Plan of Internal and External Auditors.
- (d) Reviewed the related party transactions within the Group for compliance with Bursa Malaysia Securities Berhad Main Market Listing Requirements.
- (e) Reviewed if any conflict of interest situation has arose, persist or may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity, and the measures taken to resolve, eliminate, or mitigate such conflicts.
- (f) Considered and recommended the audit fees payable to the Internal and External Auditors for the Board's approval.
- (g) Reviewed the Internal Audit Reports, audit recommendations made, the Management's response to these recommendations and follow-up review reports. Where appropriate, the Committee has directed the Management to ratify or improve the current system based on the Internal Auditors' recommendation for improvement.
- (h) Reviewed the adequacy of scope, function, resources and competency of the internal audit function and that it has the necessary authority to carry out its work.
- (i) Reviewed and approved the Audit Committee Report for the inclusion in the Company's Annual Report.



AUDIT COMMITTEE REPORT

(CONT'D)

SUMMARY OF ACTIVITIES (CONT'D)

- (j) Assessed the tenure, independency and suitability of the External Auditors in carrying out their duties before their reappointment is being approved at the Annual General Meeting of the Company.
- (k) Held a meeting with External Auditors this year without the presence of any Executive Director and the Management to discuss on the results of the audit, audit report and areas of concern highlighted in the management letter, if any raised by the External Auditors on the financial statements of the Group for the FY 2024.

INTERNAL AUDIT FUNCTION

The internal audit function has been outsourced, which reports directly to the Committee. The Committee will review the work of the internal audit function to ascertain the audit findings and ensure the Key Management follow-up and make adequate rectification or improvement to the findings. A follow-up review will be conducted by the internal audit function to ensure the issues that were previously highlighted have been rectified or improved accordingly.

The objectives of the internal audit function are to review whether the procedures and controls put in place by the Board of Directors and Key Management are present and functioning to ensure that the organisation meets its objectives of:

- (a) compliance with applicable laws, regulations, policies, and standard operating procedures;
- (b) reliability and integrity of information;
- (c) safeguarding of assets; and
- (d) operational efficiency and effectiveness.

The internal audit function adopts a risk-based audit approach in auditing objectively to provide assurance that risks are mitigated to acceptable levels.

The internal audit personnel are an independent external party, free from family, shareholding and other conflict of interest to the Company. Their objectivity is promoted via authority to report directly to the Committee with unrestricted access to all operations, records, property and personnel. They adopted a recognized internal audit approach guided by the International Professional Practice Framework (IPPF) 2017. Two (2) audit personnel were assigned to carry out the audit work for the FY 2024 with the profile of associate director of the internal audit function as follow:

Name	Qualification and Accreditation
Ms. Tiffany Lim Tian Hun	<ul style="list-style-type: none"> - Member of Malaysian Institute of Accountants (MIA) - Associate Member of Institute of Internal Auditors Malaysia (IIAM)

AUDIT COMMITTEE REPORT

(CONT'D)

INTERNAL AUDIT FUNCTION (CONT'D)

Summary of the Internal Audit activities for the FY 2024 were:

1. Conducting scheduled internal audit engagements, using the risk-based audit approach and focusing primarily on the assessment of the effectiveness of internal controls.

Some of the internal audit scope or function carried out on the Company and its related subsidiaries during the financial year are as follow: -

- (i) Tender and Contracts;
- (ii) Project Management; and
- (iii) Enterprise Risk Management.

The Internal Auditors' work by referring to a recognised framework for internal auditing such as the *International Professional Practices Framework* issued by the Institute of Internal Auditors. The followings briefly describe our approach to the review of internal control system: -

- a) Interview Process;
- b) Review of Information;
- c) Analysis of Results;
- d) Classification of Findings;
- e) Priority Ratings; and
- f) Overall Opinion Grading.

Management's response is then obtained with target implementation date to the above findings.

2. Conducting follow-up reviews to assess whether appropriate action has been taken to address issues highlighted in previous internal audit reports on the following scope or function:-

- (i) Tender and Contracts

The above follow-up reviews were conducted by a different auditor in which such scope of works had been carried out previously.

3. Presenting audit findings to the Committee for consideration.

The total cost incurred for the Group's internal audit function during the financial year was approximately RM37,000.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

Pursuant to paragraph 15.26(b) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), the Board of Directors (the “Board”) of Infraharta Holdings Berhad (the “Company”) is pleased to present the Statement on Risk Management and Internal Control (“Statement”) which outlines the nature and scope of the risk management and internal controls of the Company and its subsidiaries (the “Group”) during the financial year ended 31 March 2024.

This Statement has been prepared in accordance with the Malaysian Code on Corporate Governance issued by the Securities Commission in April 2021 and Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers issued by the Task Force on Internal Control and endorsed by Bursa Securities in December 2012.

RESPONSIBILITY

The Board, assisted by the Audit Committee, is responsible and accountable for maintaining a reliable and effective risk management framework and internal control practices to safeguard and enhance the Group’s assets and shareholders’ investments.

The Board recognizes that a sound system of risk management and internal control is an integral part of good corporate governance. The system of risk management and internal control covers not only financial controls but operational, risk and compliance controls as well. The Management assists the Board in the implementation of the Group’s policies and procedures on risk and control by identifying and assessing the risks encountered and designing suitable internal controls to mitigate and manage these risks. The Board continually reviews and ensure that the risk management and internal control is adequate and sound. Such reviews also ensure that the Group’s risk appetite is aligned to its business objectives.

However, in view of the limitations inherent in any system of internal control, this system is designed to manage, rather than eliminate, the risk of failure arising from non-achievement of the Group’s policies, goals and objectives. Such systems provide reasonable, rather than absolute, assurance against material errors, irregularities or losses.

For the construction segment, the Board is being briefed by the Management on the relevant risks unique to the construction industry on each contract secured. Sufficient internal controls are put in place to ensure progress billings are being monitored and revisions to budgeted costs are being performed so that the budgeted profit margins are achieved with minimal variations.

For the property segment, the Board is being briefed by the Management on the performance obligations that are distinct and material, which are judgmental in the context of contracts. The budget is reviewed regularly, any significant variance will be addressed by the Management to ensure variance are promptly identified.

KEY ACTIVITIES FOR RISK MANAGEMENT AND INTERNAL CONTROL

The Group’s key activities that have been established for continuous reviewing and evaluating the effectiveness and adequacy of the risk management and internal control system include:

- The Executive Board conduct regular meetings with all business unit heads from time to time to ensure all Group’s operations are in accordance with the corporate objectives, business direction, policies and strategies approved by the Board;
- The Audit Committee members are Independent Non-Executive Directors. The Committee has full access to the Key Management, Internal and External Auditors;
- Clear defined delegation of responsibilities and Business Code of Conduct have been provided to the Executive Board members and Key Management to ensure that they are guided by appropriate risk management, control policies and procedures;
- Operational structure with defined lines of reporting, responsibility, delegation of authority and accountability are in place;
- A Risk Management Committee was formed to conduct regular reviews on the risk management framework and update of the respective risk profiles;

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(CONT'D)

KEY ACTIVITIES FOR RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

- The Executive Board receives periodic performance reports from the respective business units. These reports include financial and operational information to monitor the achievement progress of corporate objectives set as well as compliance of the required standards and guidelines set by the respective regulatory bodies;
- Periodic internal audit has been conducted adequately by an independent internal audit function to monitor compliance with the Group's standard operating policies and procedures as well as good corporate governance practices;
- Executive Director active involvement in daily operations enable the control of operational procedures are being observed and adhered to;
- Top-level reviews and analyses of actual operational results versus organizational goals or plans and other key performance indicators ("KPIs"); and
- Regular Board meetings highlight and discuss important issues. Such meetings allow the Board of Directors to supervise and implement appropriate controls and regularly review the adequacy of such controls on key areas from time to time.

RISK MANAGEMENT

The Board and Management practices consistent risks identification on significant matters on an on-going basis, particularly when there are any major changes in the principle of activities and or operating environment, or venture into new operating environment. The Group also engaged a consulting firm, Vaersa Advisory Sdn. Bhd. to assist the Board and Management in identifying major risks and mitigating controls in the form of a risk register relating to the Group's major operating entities. Updates to the risk register was formally tabled to the Board on an annual basis, and Management was informed of the identified risks and mitigating controls, and endeavors to continuously monitor the effectiveness of controls and any resulting residual risks.

In order to ensure the objectivity of the review of the risk management and systems of internal control in the Group, the risk management processes are embedded and carried out as part of the Group's operating and business management processes.

INTERNAL AUDIT FUNCTION

The Board of Directors had outsourced the internal audit function of the Group to an independent professional consulting firm, Vaersa Advisory Sdn. Bhd., as an internal control consultant to assist the Audit Committee to provide assurance to Management and the Board that all internal controls are in place, adequate, and functioning effectively within the acceptable level of expectations. The Board will continue to outsource its internal audit function to the independent professional consulting firm to provide an evaluation of the system of internal control of the Group.

The activities of Internal Auditor are carried out based on the Annual Internal Audit Strategy Planning Memorandum and is approved by the Audit Committee on a yearly basis. The risk-based audit plan is developed to cover operational and functional controls as well as financial management that are significant to the overall performance of the Group.

The responsibilities of the Internal Auditor include:

- Reviewing compliance to the Group's standard operating policies and procedures, guidelines, and applicable laws and regulations;
- Assessing and reporting on the operational efficiency of various business units and departments within the group and identifying areas for improvement;
- Assessing and reporting on the reliability of data, information and system of financial reporting;
- Conducting follow-up reviews to assess whether appropriate action has been taken to address issues highlighted in previous internal audit reports.

The results of internal audits are reported on a bi-annual basis to the Audit Committee and the report of the Audit Committee is a permanent agenda in the meeting of the Board. The Management's responses on each internal audit recommendation and action plans therein, are regularly reviewed and monitored by the Audit Committee.

The review of the adequacy and effectiveness of the internal control process has been undertaken by the internal audit function, and necessary actions have been taken by the Management to remedy significant failing or weaknesses identified for the financial year ended 2024.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(CONT'D)

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

This Statement has been reviewed by the External Auditors as required by Paragraph 15.23 of the MMLR of Bursa Securities for inclusion in the Annual Report for the financial year ended 31 March 2024. Their review was performed in accordance with Audit and Assurance Practice Guides 3 ("AAPG 3") Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control issued by the Malaysian Institute of Accountants.

The External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that the Statement intended to be included in the Annual Report of the Group, in all material respects:

- (a) has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or
- (b) is factually inaccurate.

AAPG 3 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 risk management and internal control system of the Group including the assessment and opinion by the Board and Management thereon.

CONCLUSION

The Board has received assurance from the Executive Director and Head of Finance during the Audit Committee meeting held on 30 May 2024, that the Group's risk management and internal control system in place is operating adequately and effectively in all material aspects.



DIRECTORS' RESPONSIBILITIES STATEMENT

IN RESPECT OF THE PREPARATION OF THE ANNUAL AUDITED FINANCIAL STATEMENTS

Pursuant to paragraph 15.26(a) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and as required by Companies Act, 2016 in Malaysia (“the Act”), the Directors are responsible for the preparation of financial statements which give a true and fair view of the financial position of the Company and of its subsidiaries (“collectively referred to as “the Group”) as at the end of the financial year, and of the financial performance and cash flows for the financial year ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

In preparing the financial statements, the Directors are of the opinion that the Group and the Company:

- adopted suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent; and
- prepared financial statements on a going concern basis.

The Directors are responsible to ensure that the Group and the Company maintain accounting records which disclose with reasonable accuracy the financial position of the Group and of the Company, and which enable them to ensure that the financial statements comply with the Act.

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



ADDITIONAL COMPLIANCE INFORMATION

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

UTILIZATION OF PROCEEDS RAISED FROM CORPORATE EXERCISE

i) Redeemable Convertible Preference Shares (“RCPS”)

During the financial year, the Company raised RM1.25 million from the conversion of Cumulative Redeemable Convertible Preference Shares. All the proceeds raised from this corporate exercise have been fully utilized for construction project expenditure, property development expenditure, working capital and expenses relating to the proposal.

ii) Propose Private Placement

On 15 January 2024, the Company proposed to undertake a private placement of up to 49,880,000 new ordinary shares, representing up to approximately 10% of the total number of issued shares, to third-party investor(s) to be identified later and at an issue price to be determined later.

Bursa Malaysia Securities Berhad (“Bursa Securities”) had, vide its letter dated 24 January 2024, approved the Proposed Private Placement.

On 11 March 2024, the private placement was completed following the listing and quotation of 21,818,000 placement shares on the Main Market of Bursa Securities and the Company has raised a total of RM2,399,980 from the private placement. All the proceeds raised from this corporate exercise have been fully utilized for construction project expenditure, property development expenditure, working capital and expenses relating to the proposal.

AUDIT AND NON-AUDIT FEES

The audit and non-audit fees paid to the External Auditors and a company affiliated to the External Auditors’ firm for services rendered to the Company and/or its subsidiaries for the financial year ended 31 March 2024 are as follows:

	Company RM	Group RM
Audit Fees	58,000	193,000
Non-audit Fees*	23,250	56,250

* Comprised of tax compliance service and Review of Statement on Risk Management and Internal Control.

MATERIAL CONTRACTS

There were no material contracts (not being a contract entered into in the ordinary course of business) including contracts relating to any loan entered by the Company and its subsidiaries involving Directors’ and major shareholders’ interests which were still subsisting at the end of the financial year or entered since the end of the previous financial year.

RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE

The values and types of related party transactions entered into by the Group are disclosed in Note 30 to the Audited Financial Statements on page 103 to 105 of this Annual Report.



52	Directors' Report
58	Statement by Directors
58	Statutory Declaration
59	Independent Auditors' Report
66	Statements of Comprehensive Income

Financial **Statements**

68	Statements of Financial Position
69	Statements of Changes in Equity
71	Statements of Cash Flows
74	Notes to the Financial Statements



DIRECTORS' REPORT

DIRECTORS' REPORT

The directors submit their report and the audited financial statements of the Group and the Company for the financial year ended 31 March 2024.

Principal activities

The Company is principally involved in investment holding. The details of the subsidiaries, including their principal activities, are disclosed in Note 14 to the financial statements.

Financial results

	Group RM	Company RM
Net loss for the financial year	(10,167,922)	(16,146,291)
Attributable to:		
Owners of the Company	(6,981,479)	(16,146,291)
Non-controlling interests	(3,186,443)	-
	<u>(10,167,922)</u>	<u>(16,146,291)</u>

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

Dividend

No dividend has been paid or declared by the Company since the end of the previous financial year. The directors also do not recommend any dividend payment in respect of the current financial year.

Reserves and provisions

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

Issue of shares and debentures

During the reporting period, the Company undertook:

- (i) a private placement of 21,818,000 new ordinary shares at an issue price of RM0.11 per share for cash. The shares were issued for construction and property development projects expenditure and working capital purposes; and
- (ii) the issuance of 12,500,000 redeemable convertible preference shares at RM0.10 per share for cash. The 12,500,000 redeemable convertible preference shares were subsequently converted to 12,500,000 ordinary shares at a conversion price of RM0.10 per share.

The new ordinary shares issued rank pari passu with the then existing ordinary shares of the Company.

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

DIRECTORS' REPORT

(CONT'D)

Share issuance scheme options

The Company implemented an Employees' Share Issuance Scheme ("SIS") which is governed by its By-Laws as approved by the Company's shareholders at the Extraordinary General Meeting held on 22 November 2017.

The salient features of the SIS are as follows:

- (a) The SIS was implemented on 18 December 2017 and is in force for a period of 5 years until 17 December 2022 in accordance with the terms of the By-Laws. The Company had extended the scheme for further period of 5 years commencing from 18 December 2022 to 17 December 2027;
- (b) The total number of new shares to be offered pursuant to the SIS shall be subject to a maximum of 15% of the Company's issued and paid up share capital (excluding treasury shares) at any one time;
- (c) Any employees (including directors) of the Group shall be eligible to participate in the SIS, if as at the date of offer, the employee:
 - (i) has attained the age of eighteen (18) years; and
 - (ii) is employed by a company in the Group, which is not dormant.

The allocation criteria of new ordinary shares comprised in the options to eligible employees shall be determined at the discretion of the SIS Committee. The participation of director of the Company in the SIS shall be approved by the shareholders of the Company in a general meeting;

- (d) The price payable upon exercise of SIS shall be based on the weighted average market price of the Company's shares as shown in the Daily Official List of Bursa Malaysia Securities Berhad for the five (5) market days immediately preceding the date of offer with an allowance of a discount of not more than 10%;
- (e) The new ordinary shares to be issued upon exercise of the SIS, shall upon issuance and allotment, rank pari passu with the then existing ordinary shares, except that they will not be entitled to dividends, rights, allotments and/or other distributions, declared by the Company which entitlement thereof precedes the allotment date of the new ordinary shares allotted pursuant to the exercise of the SIS; and
- (f) The exercise price and the number of new ordinary shares comprised in the SIS are subject to adjustment in the event of alteration to the share capital of the Company in accordance with the provisions in the By-Laws.

No options have been granted by the Company to any parties under the SIS or any other schemes to take up unissued shares of the Company.



DIRECTORS' REPORT

(CONT'D)

Warrants 2014/2024

The Company had in March 2014 issued 60,000,000 warrants in conjunction with its bonus issue exercise. The warrants are constituted by a deed poll dated 11 March 2014 ("Deed Poll").

The salient features of the warrants are as follows:

- (a) The issue date of the warrants is 1 April 2014 and the expiry date is on 31 March 2024. Any warrants not exercised at the expiry date will lapse and cease to be valid for any purpose;
- (b) Each warrant entitles the registered holder the right to subscribe for one (1) new ordinary share in the Company at an exercise price of RM0.50 per ordinary share until the expiry of the exercise period;
- (c) The exercise price and the number of unexercised warrants are subject to adjustment in the event of alteration to the share capital of the Company, capital distribution or issue of shares in accordance with the provisions in the Deed Poll;
- (d) The warrant holders are not entitled to participate in any distribution and/or offer of further securities in the Company (except for the issue of new warrants pursuant to adjustment as mentioned in item (c) above), unless and until such warrant holders exercise their rights to subscribe for new ordinary shares; and
- (e) The new ordinary shares to be issued upon exercise of the warrants, shall upon issuance and allotment, rank pari passu with the then existing ordinary shares, except that they will not be entitled to dividends, rights, allotments and/or other distributions, declared by the Company which entitlement thereof precedes the allotment date of the new ordinary shares allotted pursuant to the exercise of the warrants.

The movements in the Company's warrants during the financial year are as follows:

	Entitlement for ordinary shares			Balance at 31.3.2024
	Balance at 1.4.2023	Exercised	Expired	
Number of unexercised warrants	60,000,000	-	(60,000,000)	-

DIRECTORS' REPORT

(CONT'D)

Directors

The directors of the Company in office since the end of the previous financial year to the date of this report are:

Dato' Sri Hj. Wan Adnan Bin Wan Mamat
 Law Ngia Meng
 Wong Kwai Wah
 Dato' Dr. Hj. Shamsul Anwar Bin Sulaiman
 Chai Hann Lin
 Noor Hazley Zuana Binti Mamat

Directors' interests in shares

The shareholdings in the Company and its related companies of those who were directors at the end of the financial year, as recorded in the Register of Directors' Shareholdings kept under Section 59 of the Companies Act 2016, are as follows:

	Number of ordinary shares			Balance as at 31.3.2024
	Balance as at 1.4.2023	Bought	Sold	
Direct interest				
Wong Kwai Wah	7,248,900	-	(1,856,300)	5,392,600
Law Ngia Meng	2,181,300	-	-	2,181,300
	Number of warrants over ordinary shares			Balance as at 31.3.2024
	Balance as at 1.4.2023	Bought	Expired	
Warrants registered in the name of directors:				
Wong Kwai Wah	5,231,000	-	(5,231,000)	-

Warrants registered in the name of directors:

Wong Kwai Wah 5,231,000 - (5,231,000) -

Other than as stated, none of the other directors in office at the end of the financial year had an interest in the shares of the Company and its related companies during the financial year, according to the register required to be kept under Section 59 of the Companies Act 2016.

Directors' benefits

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by the directors shown in the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

The details of directors' remuneration are disclosed in Note 6 to the financial statements.

There were no arrangements during or at the end of the financial year, which had the object of enabling directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Indemnity and insurance

There was no indemnity given to or insurance effected for any directors, officers and auditors of the Company during the financial year.



DIRECTORS' REPORT

(CONT'D)

Other statutory information

Before the financial statements of the Group and the Company were prepared, the directors took reasonable steps:

- (a) to ascertain that action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and had satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
- (b) to ensure that any current assets which were unlikely to realise their book values in the ordinary course of business had been written down to their expected realisable values.

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

- (a) which would render the amount written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and the Company inadequate to any substantial extent;
- (b) which would render the values attributed to current assets in the financial statements of the Group and the Company misleading; and
- (c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and the Company misleading or inappropriate.

In the interval between the end of the financial year and the date of this report:

- (a) no item, transaction or event of a material and unusual nature has arisen which, in the opinion of the directors, would substantially affect the results of the operations of the Group and the Company for the financial year in which this report is made; and
- (b) no charge has arisen on the assets of the Group and the Company which secures the liability of any other person nor have any contingent liabilities arisen in the Group and the Company.

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

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, which would render any amount stated in the financial statements misleading.

**DIRECTORS' REPORT**

(CONT'D)

Auditors

The auditors, Messrs Russell Bedford LC PLT, have indicated their willingness to continue in office.

The auditors' remuneration for the Group and the Company is disclosed in Note 6 to the financial statements.

Signed on behalf of the Board
in accordance with a resolution of the directors,

WONG KWAI WAH

LAW NGIA MENG

Kuala Lumpur

Dated: 19 July 2024



STATEMENT BY DIRECTORS

The directors of INFRAHARTA HOLDINGS BERHAD state that, in the opinion of the directors, the accompanying financial statements are drawn up in accordance with the provisions of the Companies Act 2016 and the Malaysian Financial Reporting Standards, so as to give a true and fair view of the financial position of the Group and the Company as at 31 March 2024, and of their financial performance and their cash flows for the year ended on that date.

Signed on behalf of the Board
in accordance with a resolution of the directors,

WONG KWAI WAH

LAW NGIA MENG

Kuala Lumpur

Dated: 19 July 2024

STATUTORY DECLARATION

I, LAW NGIA MENG, being the director primarily responsible for the financial management of INFRAHARTA HOLDINGS BERHAD, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements 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.

Subscribed and solemnly declared by)
the above named LAW NGIA MENG)
at Kuala Lumpur in Wilayah)
Persekutuan on 19 July 2024)

LAW NGIA MENG

Before me,

COMMISSIONER FOR OATHS



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF INFRAHARTA HOLDINGS BERHAD
(INCORPORATED IN MALAYSIA)

1. Report on the audit of the financial statements

1.1 Opinion

We have audited the accompanying financial statements which comprise the statements of financial position of the Group and the Company as at 31 March 2024, and the related statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including the material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Group and the Company as at 31 March 2024, and of their financial performance and their cash flows for the year then ended in accordance with the Companies Act 2016 ("Act") and the Malaysian Financial Reporting Standards.

1.2 Basis for opinion

We conducted our audit in accordance with the Approved Standards on Auditing in Malaysia and the International Standards on Auditing. Our responsibilities under those standards are further described in paragraph 1.6.

We are independent of the Group and the Company in accordance with the By-Laws (On Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("MIA 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 MIA By-Laws and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



INDEPENDENT AUDITORS' REPORT

(CONT'D)

1.3 Key audit matters

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

1.3.1 Revenue recognition for construction contracts

The Group recognised revenue of RM47,454,605, representing approximately 84% of the total revenue of the Group for the reporting period, from construction contracts over time by measuring the Group's progress towards complete satisfaction of each performance obligation. The progress towards complete satisfaction of the performance obligation is measured using an input method, by reference to the costs incurred to date as a percentage of the estimated total costs.

Revenue recognition of construction contracts is a key audit matter as it is inherently complex which involves significant estimation in determining the progress based on actual costs incurred to date over the estimated total costs. The total estimated costs are based on approved budgets, which require assessments and judgements to be made on changes in, for example scope of work and costs to completion.

How the matter was addressed in the audit

Our audit procedures included, amongst others:

- read selected contracts entered with customers and sub-contractors to obtain an understanding on the terms of contracts. For subsequent variation in contract works and claims for cost not included in the initial contracts, we agreed the amounts to approved variation order forms and/or correspondences with the customers and sub-contractors.
- assessed the reasonableness of the estimated total costs by agreeing to supporting documentation, i.e. approved budgets, quotations, correspondences, letters of award and contracts with sub-contractors.
- examined a sample of actual costs incurred by agreeing to progress claims certificate from sub-contractors and invoices from suppliers.
- discussed with management, key project team members and professionals employed by the Group to understand the overall progress claims and physical progress of the construction and corroborate with the stage of completion computed based on extent of costs incurred.
- recomputed the revenue recognised during the reporting period using the input method by reference to the percentage of the costs incurred over estimated total costs of selected contracts project.
- reviewed management's assessment on the exposure to liquidated and ascertained damages and/or foreseeable losses to ascertain that these are appropriately assessed and accounted for adequately.

We are satisfied with the results of our procedures performed.

INDEPENDENT AUDITORS' REPORT

(CONT'D)

1.3.2 Recoverability of receivables and contract assets

As disclosed in Note 16, 17 and 18 to the financial statements, the carrying amount of receivables and contract assets of the Group was RM30,972,433 and RM21,890,808, respectively as at 31 March 2024 and management has recognised a net allowance for expected credit losses of RM8,052,771 during the reporting period.

The Group has significant receivable balances that are overdue, leading to the risk that the Group's allowance for expected credit losses for receivables and contract assets being insufficient if these amounts are not recoverable in the event of default. The recoverability of receivables and contract assets is a key audit matter as its assessments involve significant judgements.

How the matter was addressed in the audit

Our audit procedures included, amongst others:

- reviewed and verified the collections received during the reporting period and subsequent to the reporting period to bank records.
- assessed the adequacy of impairment assessment performed by management on overdue receivables. For a balance where no allowance for impairment was made, we obtained evidence in the form of subsequent receipts, historical payment trends, customer's financial position and customer's correspondences.
- tested the adequacy of the allowance of expected credit losses made by management through challenging the relevant assumptions and data applied in making the estimates.

We are satisfied with the results of our procedures performed.

1.3.3 Measurement of allowance of expected credit losses for receivables and contract assets from terminated construction contract

The subsidiaries of the Company, Buildmarque Construction Sdn Bhd ("BMSB") and Infraharta Sdn Bhd ("ISB"), entered into a deed of rescission and termination to mutually agree to terminate the contract with Consortium Zenith Construction Sdn Bhd ("CZC") for the construction of a Penang highway project which was contracted at a sum of RM815 million. As at the reporting date, CZC defaulted on the repayment plans agreed in the Deed of Rescissions and Termination dated 29 December 2021 (the "Deed") and has commenced legal proceedings to dispute the Deed. At the same time, the finalisation of final progress claims for cumulative work done up to the date of Deed is being halted in view of the legal dispute.

The total carrying amount of assets recoverable under this project is RM13,363,069 as at 31 March 2024 and management has recognised an allowance for expected credit losses of RM6,623,226 during the reporting period. The details of the matter are disclosed in Note 35 to the financial statements.

The level of judgment required to estimate the amount recoverable under this project and its related allowance for expected credit losses increases the risk of material misstatements.



INDEPENDENT AUDITORS' REPORT

(CONT'D)

1.3.3 Measurement of allowance of expected credit losses for receivables and contract assets from terminated construction contract (continued)

How the matter was addressed in the audit

Our audit procedures included, amongst others:

- re-examined the relevance of the assessment carried out by an independent construction claim consultant to determine the fair amount of cumulative work done for the terminated contract in view of the passage of time.
- inquired with management and its legal counsel regarding the state of the litigation and the potential outcomes.
- reviewed the credit rating assessment of the counter party carried out by management.
- tested the adequacy of the allowance of expected credit losses made by management by challenging the data applied in determining the amount of loss suffered.

We are satisfied with the results of our procedures performed.

1.3.4 Impairment assessment on the carrying amount of investment in a subsidiary

The carrying amount of the Company's investment in a subsidiary, Infraharta Sdn Bhd, amounted to RM13,608,285 as at 31 March 2024 and an impairment loss of RM11,041,000 had been recognised during the reporting period.

The assessment of the recoverable amount of investment in this subsidiary requires significant judgements and key assumptions concerning the future.

We focused on this area due to the significant judgements and assumptions made by management in determining the recoverable amount of the investment in this subsidiary.

How the matter was addressed in the audit

We tested management's impairment review by performing the following work:

- discussed with management to understand the underlying assumptions used in the impairment review model;
- compared the assumptions used within the impairment review model to approved budgets, business plans and projects secured;
- benchmarked key assumptions including discount rates, where applicable, and inflation against our own internal research data; and
- reviewed management's calculation together with relevant supporting documents.

We are satisfied with the results of our procedures performed.

Additional information on the impairment review is disclosed in Note 14 to the financial statements.

INDEPENDENT AUDITORS' REPORT

(CONT'D)

1.4 Other information

Management is responsible for the other information. The other information comprises the information included in the Company's directors' report and annual report but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

1.5 Responsibilities of management and those charged with governance for the financial statements

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

In preparing the financial statements, management is 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 management either intends to liquidate the Company and/or its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

1.6 Auditors' responsibilities for the audit of the financial statements

It is our responsibility to form an independent opinion, based on our audit, on these financial statements and to report our opinion solely to you, as a body, in accordance with Section 266 of the Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the content of this report.

Our objectives are to obtain reasonable assurance about whether the financial statements 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 the Approved Standards on Auditing in Malaysia and the 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.



INDEPENDENT AUDITORS' REPORT

(CONT'D)

1.6 Auditors' responsibilities for the audit of the financial statements (continued)

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

- Identify and assess the risks of material misstatement of the financial statements, 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and/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 or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements 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 Group's financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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 those charged with governance 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.

INDEPENDENT AUDITORS' REPORT

(CONT'D)

1.6 Auditors' responsibilities for the audit of the financial statements (continued)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of 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.

2. Engagement partner

The engagement partner on the audit resulting in this independent auditors' report is Gavin Foo Tun Xiang.

RUSSELL BEDFORD LC PLT
LLP0030621-LCA & AF 1237
CHARTERED ACCOUNTANTS

GAVIN FOO TUN XIANG
03405/12/2024 J
CHARTERED ACCOUNTANT

Kuala Lumpur

Dated: 19 July 2024

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Revenue	4	56,252,933	29,750,473	-	-
Cost of sales		(53,683,868)	(35,093,312)	-	-
Gross profit/(loss)		2,569,065	(5,342,839)	-	-
Other operating income		590,690	197,342	180,000	144,000
Administrative expenses		(4,727,472)	(8,513,076)	(12,952,892)	(22,786,080)
Net allowance for expected credit losses		(8,052,771)	(8,906,842)	(3,752,367)	-
Loss from operations	6	(9,620,488)	(22,565,415)	(16,525,259)	(22,642,080)
Finance income	7	14,487	15,359	378,968	68,238
Finance costs	8	(139,292)	(153,729)	-	-
Net finance (costs)/income		(124,805)	(138,370)	378,968	68,238
Loss before tax		(9,745,293)	(22,703,785)	(16,146,291)	(22,573,842)
Income tax expense	9	(422,629)	(1,261,279)	-	(24,275)
Net loss for the year		(10,167,922)	(23,965,064)	(16,146,291)	(22,598,117)
Other comprehensive income:					
Item that will not be reclassified subsequently to profit or loss					
Fair value loss on other investment		(1,523,000)	(266,000)	(1,523,000)	(266,000)
Other comprehensive loss for the year, net of tax		(1,523,000)	(266,000)	(1,523,000)	(266,000)
Total comprehensive loss for the year		(11,690,922)	(24,231,064)	(17,669,291)	(22,864,117)

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

STATEMENTS OF COMPREHENSIVE INCOME

(CONT'D)

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Net loss attributable to:					
Owners of the Company		(6,981,479)	(20,302,639)	(16,146,291)	(22,598,117)
Non-controlling interests		(3,186,443)	(3,662,425)	-	-
		<u>(10,167,922)</u>	<u>(23,965,064)</u>	<u>(16,146,291)</u>	<u>(22,598,117)</u>
Total comprehensive loss attributable to:					
Owners of the Company		(8,504,479)	(20,568,639)	(17,669,291)	(22,864,117)
Non-controlling interests		(3,186,443)	(3,662,425)	-	-
		<u>(11,690,922)</u>	<u>(24,231,064)</u>	<u>(17,669,291)</u>	<u>(22,864,117)</u>
Basic loss per share (sen)	10	<u>(1.83)</u>	<u>(6.26)</u>		

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

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Non current assets					
Plant and equipment	11	805,695	976,159	22,681	25,828
Right of use assets	12	2,039,596	2,929,929	-	-
Goodwill on consolidation	13	2,080,095	2,080,095	-	-
Deferred tax assets	25	-	225,000	-	-
Investment in subsidiaries	14	-	-	15,704,493	26,772,832
Other investments	15	3,719,000	5,242,000	3,719,000	5,242,000
Trade receivables	16	9,927,115	9,334,052	-	-
Other receivables	17	-	-	18,924,718	20,327,123
		18,571,501	20,787,235	38,370,892	52,367,783
Current assets					
Contract assets	18	21,890,808	20,307,559	-	-
Contract costs	18	113,753	454,989	-	-
Inventories	19	20,152,061	19,016,651	-	-
Trade receivables	16	13,407,012	14,323,755	-	-
Other receivables, deposits and prepayments	17	8,935,697	11,571,478	1,240,845	1,271,143
Tax recoverable		925,301	477,799	138,928	106,000
Fixed deposits with a licensed bank	20	233,925	222,805	-	-
Cash and bank balances	21	1,777,163	1,786,522	305,017	241,049
		67,435,720	68,161,558	1,684,790	1,618,192
Total assets		86,007,221	88,948,793	40,055,682	53,985,975
Equity					
Share capital	22	148,212,741	144,743,637	148,212,741	144,743,637
Reserves	23	(101,547,772)	(93,043,293)	(110,430,756)	(92,761,465)
Equity attributable to owners of the Company		46,664,969	51,700,344	37,781,985	51,982,172
Non-controlling interests		(3,687,788)	(501,345)	-	-
Total equity		42,977,181	51,198,999	37,781,985	51,982,172
Non current liabilities					
Lease liabilities	24	1,214,207	1,942,245	-	-
Deferred tax liability	25	10,000	-	-	-
Trade payables	26	2,961,363	2,824,116	-	-
		4,185,570	4,766,361	-	-
Current liabilities					
Trade payables	26	24,842,733	17,109,916	-	-
Other payables and accruals	27	12,171,009	14,107,799	2,273,697	2,003,803
Contract liabilities	18	341,500	-	-	-
Lease liabilities	24	727,684	832,511	-	-
Short term borrowings	28	755,344	871,457	-	-
Tax payable		6,200	61,750	-	-
		38,844,470	32,983,433	2,273,697	2,003,803
Total liabilities		43,030,040	37,749,794	2,273,697	2,003,803
Total equity and liabilities		86,007,221	88,948,793	40,055,682	53,985,975

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2024

Group	Share capital RM	Fair value reserve RM	Accumulated losses RM	Equity attributable to owners of the Company RM	Non-controlling interests RM	Total RM
At 1 April 2022	139,808,637	(4,352,000)	(68,122,654)	67,333,983	3,161,080	70,495,063
<u>Transactions with owners</u>						
Issue of shares pursuant to conversion of redeemable convertible preference shares	4,935,000	-	-	4,935,000	-	4,935,000
Net loss for the year	-	-	(20,302,639)	(20,302,639)	(3,662,425)	(23,965,064)
Other comprehensive loss for the year:						
- fair value loss on other investment	-	(266,000)	-	(266,000)	-	(266,000)
Total comprehensive loss for the year	-	(266,000)	(20,302,639)	(20,568,639)	(3,662,425)	(24,231,064)
At 31 March 2023	144,743,637	(4,618,000)	(88,425,293)	51,700,344	(501,345)	51,198,999
<u>Transactions with owners</u>						
Issue of shares pursuant to:						
- private placement	2,294,104	-	-	2,294,104	-	2,294,104
- conversion of redeemable convertible preference shares	1,175,000	-	-	1,175,000	-	1,175,000
Total transactions with owners	3,469,104	-	-	3,469,104	-	3,469,104
Net loss for the year	-	-	(6,981,479)	(6,981,479)	(3,186,443)	(10,167,922)
Other comprehensive loss for the year:						
- fair value loss on other investment	-	(1,523,000)	-	(1,523,000)	-	(1,523,000)
Total comprehensive loss for the year	-	(1,523,000)	(6,981,479)	(8,504,479)	(3,186,443)	(11,690,922)
At 31 March 2024	148,212,741	(6,141,000)	(95,406,772)	46,664,969	(3,687,786)	42,977,181

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

STATEMENTS OF CHANGES IN EQUITY

(CONT'D)

Company	Share capital RM	Fair value reserve RM	Accumulated losses RM	Total RM
At 1 April 2022	139,808,637	(4,352,000)	(65,545,348)	69,911,289
<u>Transactions with owners</u>				
Issue of shares pursuant to conversion of redeemable convertible preference shares	4,935,000	-	-	4,935,000
Net loss for the year	-	-	(22,598,117)	(22,598,117)
Other comprehensive loss for the year:	-	(266,000)	-	(266,000)
- fair value loss on other investment	-	(266,000)	-	(266,000)
Total comprehensive loss for the year	-	(266,000)	(22,598,117)	(22,864,117)
At 31 March 2023	144,743,637	(4,618,000)	(88,143,465)	51,982,172
<u>Transactions with owners</u>				
Issue of shares pursuant to:				
- private placement	2,294,104	-	-	2,294,104
- conversion of redeemable convertible preference shares	1,175,000	-	-	1,175,000
Total transactions with owners	3,469,104	-	-	3,469,104
Net loss for the year	-	-	(16,146,291)	(16,146,291)
Other comprehensive loss for the year:	-	(1,523,000)	-	(1,523,000)
- fair value loss on other investment	-	(1,523,000)	-	(1,523,000)
Total comprehensive loss for the year	-	(1,523,000)	(16,146,291)	(17,669,291)
At 31 March 2024	148,212,741	(6,141,000)	(104,289,756)	37,781,985

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

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Cash flows from/(used in) operating activities				
Loss before tax	(9,745,293)	(22,703,785)	(16,146,291)	(22,573,842)
Adjustments for:				
Allowance for expected credit losses	8,052,771	9,141,410	3,752,367	-
Allowance for expected credit losses no longer required	-	(234,568)	-	-
Depreciation	1,081,944	1,010,354	3,147	3,660
Impairment loss on goodwill on consolidation	-	1,269,580	-	-
Impairment loss on investment in subsidiaries	-	-	11,068,439	20,364,100
Interest income	(14,487)	(15,359)	(378,968)	(68,238)
Interest expense	139,292	153,729	-	-
Gain on disposal of right of use assets	-	(56,101)	-	-
Operating loss before working capital changes	(485,773)	(11,434,740)	(1,701,306)	(2,274,320)
Changes in contract assets/liabilities	(3,733,480)	200,081	-	-
Changes in contract costs	341,236	(454,989)	-	-
Increase in inventories	(1,135,410)	(5,870,350)	-	-
(Increase)/Decrease in trade and other receivables	(2,601,579)	(7,478,624)	(79,902)	974,349
Increase/(Decrease) in trade and other payables	6,181,584	11,164,951	981	(66,818)
Cash used in operations	(1,433,422)	(13,873,671)	(1,780,227)	(1,366,789)
Income tax paid	(787,983)	(605,861)	(32,928)	(238,971)
Income tax refunded	97,302	120,498	-	-
Net cash used in operating activities	(2,124,103)	(14,359,034)	(1,813,155)	(1,605,760)

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



STATEMENTS OF CASH FLOWS

(CONT'D)

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Cash flows from/(used in) investing activities				
Acquisition of plant and equipment	(21,147)	(503,545)	-	(28,163)
Acquisition of right of use assets	-	(25,749)	-	-
Advances to subsidiaries	-	-	(1,862,071)	(15,472,822)
Increase in fixed deposits pledged	(11,120)	(132,805)	-	-
Interest received	14,487	15,359	1,277	4,440
Payments for acquisition of subsidiaries in prior year	-	(2,955,000)	-	-
Proceeds from disposal of				
- right of use assets	-	148,000	-	-
- other investments	-	9,000,000	-	9,000,000
Subscription of shares in subsidiaries	-	-	(100)	(200)
Net cash (used in)/from investing activities	(17,780)	5,546,260	(1,860,894)	(6,496,745)
Cash flows from/(used in) financing activities				
Advances from subsidiaries	-	-	268,913	1,043,675
Advances from a director of a subsidiary	6,597	-	-	-
Repayments to non controlling interest of a subsidiary	(254,907)	-	-	-
Interest paid	(139,292)	(153,729)	-	-
Proceeds from issuance of ordinary shares - net	2,294,104	-	2,294,104	-
Proceeds from issuance of redeemable convertible preference shares - net	1,175,000	4,935,000	1,175,000	4,935,000
Repayments of lease liabilities	(832,865)	(911,799)	-	-
Proceeds from trade finance	315,887	370,000	-	-
Repayments of trade finance	(439,887)	(246,000)	-	-
Net cash from financing activities	2,124,637	3,993,472	3,738,017	5,978,675
Net (decrease)/increase in cash and cash equivalents	(17,246)	(4,819,302)	63,968	(2,123,830)
Cash and cash equivalents at beginning of year	1,039,065	5,858,367	241,049	2,364,879
Cash and cash equivalents at end of year	1,021,819	1,039,065	305,017	241,049

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

STATEMENTS OF CASH FLOWS

(CONT'D)

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Cash and cash equivalents comprise:				
Cash and bank balances	1,777,163	1,786,522	305,017	241,049
Fixed deposits with a licensed bank	233,925	222,805	-	-
Bank overdraft	(755,344)	(747,457)	-	-
	1,255,744	1,261,870	305,017	241,049
Less: Deposits pledged	(233,925)	(222,805)	-	-
	1,021,819	1,039,065	305,017	241,049
 Reconciliation of liabilities arising from financing activities				
		Group		
	1.4.2023 RM	Cash flows RM	Non cash changes RM	31.3.2024 RM
Amount due to non controlling interest of a subsidiary	1,985,810	(254,907)	-	1,730,903
Amount due to a director of a subsidiary	5,976,873	6,597	-	5,983,470
Short term borrowings	124,000	(124,000)	-	-
Lease liabilities				
- hire purchase	1,255,662	(521,573)	-	734,089
- others	1,519,094	(311,292)	-	1,207,802
		Group		
	1.4.2022 RM	Cash flows RM	Non cash changes RM	31.3.2023 RM
Short term borrowings	-	124,000	-	124,000
Lease liabilities				
- hire purchase	1,639,281	(621,619)	238,000	1,255,662
- others	1,750,647	(290,180)	58,627	1,519,094
		Company		
	1.4.2023 RM	Cash flows RM	Non cash changes RM	31.3.2024 RM
Amount due to subsidiaries	1,772,132	268,913	-	2,041,045
		Company		
	1.4.2022 RM	Cash flows RM	Non cash changes RM	31.3.2023 RM
Amount due to subsidiaries	728,457	1,043,675	-	1,772,132

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



NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2024

1. General information

The Company is principally involved in investment holding. The details of the subsidiaries, including their principal activities, are disclosed in Note 14.

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

The registered office is located at B-3-9, 3rd Floor, Block B, Megan Avenue II, No. 12, Jalan Yap Kwan Seng, 50450 Kuala Lumpur.

The principal place of business of the Company is located at Unit 9-1 & 9-2, Level 9, Wisma Miramas, 1, Jalan 2/109E, Taman Desa, 58100 Kuala Lumpur.

The financial statements were approved and authorised for issue by the board of directors on 19 July 2024.

2. Basis of preparation of the financial statements

2.1 Statement of compliance

The financial statements of the Group and the Company have been prepared and presented in accordance with the provisions of the Companies Act 2016 and the Malaysian Financial Reporting Standards (“MFRS”).

The financial statements of the Group and of the Company also comply with the International Financial Reporting Standards as issued by the International Accounting Standards Board.

2.2 Basis of accounting

The financial statements have been prepared under the historical cost convention and any other bases described in the notes to the financial statements.

The Group has adopted the new and revised Malaysian Financial Reporting Standards and their related interpretations that become mandatory for the current reporting period. The adoption of these new and revised MFRSs and IC interpretations does not result in significant changes in accounting policies of the Group.

The amendments to MFRS 101 Disclosure of Accounting Policies became effective for application during the current reporting period. The amendments replace all instances of the term “significant accounting policies” with “material accounting policy information”. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The amendments have an impact on the manner in which the Group’s accounting policies are disclosed, but not on the measurement, recognition or presentation of any components in the Group’s financial statements.

The Group has not adopted the new standards, amendments to published standards and IC Interpretations that have been issued but not yet effective. These new standards, amendments to published standards and IC Interpretations do not result in significant changes in accounting policies of the Group upon their initial application.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

2.3 Material accounting policy information**Functional and presentation currency**

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

Non controlling interest

For business combination, non controlling interests are initially measured at the present ownership instrument's proportionate share of the recognised amounts of the acquiree's identifiable net assets at the acquisition date.

Investment in subsidiaries

Subsidiaries are those companies controlled by the Group. Control exist when the Group has the rights, or exposed, to variable returns from its investment with the entity and has the ability to affect those returns through its power over the entity.

Leases

The Group has elected not to recognise right of use assets and lease liabilities for short term leases that have a lease term of twelve (12) months or less and do not contain a purchase option, and leases of low value assets. The Group recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

Inventories

Properties development costs are determined based on a specific identification basis.

Financial instruments

Financial assets at fair value through other comprehensive income ("FVOCI")

Unquoted equity investment

Upon initial recognition, the Group elected to classify irrevocably its unquoted equity investment that is not held for trading, to be designated at fair value through other comprehensive income. The election is made on an investment by investment basis.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

3. Critical accounting estimates and judgements

In the preparation of the financial statements, the directors are required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Estimates and judgements are continually evaluated by the directors and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the process of applying the Group's accounting policies, management is of the opinion that there are no instances of application of judgement which are expected to have a significant effect on the amounts recognised in the financial statements other than as follows:

i. Determination of control over a subsidiary

As at 31 March 2024, the Group's percentage shareholding in Buildmarque Construction Sdn Bhd ("BMSB") was 50% (2023: 50%).

BMSB's financial statements are consolidated with those of the Company as its subsidiary notwithstanding the Group's shareholding of 50% in BMSB is not the majority stake as the other 50% shareholding is owned by another entity. The Group has majority representatives in the Board of Directors as stipulated in the shareholders' agreement and has consistently and regularly held a majority of the voting rights exercised at BMSB's board of directors meeting on decisions that affect the returns on its investment in BMSB. In addition, the Group held a substantial potential voting rights arising from the redeemable convertible preference shares which provide the absolute discretion to the Group to exercise its conversion right into ordinary shares.

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period other than as follows:

i. Recognition of construction revenue

Construction revenue is recognised over time by selecting an appropriate method for measuring the Group's progress towards complete satisfaction of that performance obligation.

The progress towards complete satisfaction of the performance obligation is measured using an input method, by reference to the costs incurred to date as a percentage of the estimated total costs.

Significant estimation is required in determining the progress based on actual costs incurred to date over the estimated total costs. The total estimated costs are based on approved budgets, which require assessments and judgements to be made on changes in, for example scope of work and costs to completion. In making the estimation, the Group evaluates based on past experience.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

3. Critical accounting estimates and judgements (continued)

ii. Property development

Property development revenue is recognised over time by selecting an appropriate method for measuring the Group's progress towards complete satisfaction of the performance obligation.

The progress towards complete satisfaction of the performance obligation is measured using an input method, by reference to the property development costs incurred to date as a percentage of the estimated total costs of development.

Significant estimation is required to determine the estimated revenue and budgeted costs. The total estimated revenue for the property development project has been projected based on the estimated market selling price of the units. The total estimated costs are based on approved budgets, which require assessments and judgements to be made on changes in, for example, scope of work, costs and costs to completion. In making the judgements, the Group evaluates based on past experience.

iii. Fair value measurement of unquoted equity instruments

The fair value of financial assets at FVOCI is measured using valuation technique, the discounted cash flows model. The key assumptions applied in the input to the model are disclosed in Note 15.

iv. Measurement of ECL allowance

The ECL for trade receivables and contract assets are estimated based on assumptions about risk of default and expected loss on the probability of non-payment. The assumptions used in estimating future cash flows are determined using historical data and forward-looking information. The Group uses judgement in making these assumptions.

v. Termination of construction contract with Consortium Zenith Construction Sdn Bhd

Management applied significant estimations in determining the carrying amount of the assets recoverable as a result of the termination of this contract. The details in relation to the termination are disclosed in Note 35.

**NOTES TO THE FINANCIAL STATEMENTS**

(CONT'D)

4. Revenue

	Group	
	2024	2023
	RM	RM
Proportion of gross contract revenue recognised	47,454,605	23,562,695
Sale of development properties	8,790,561	6,148,723
Total revenue from contract with customers	<u>56,245,166</u>	<u>29,711,418</u>
Interest income from loan receivable	7,767	39,055
	<u>56,252,933</u>	<u>29,750,473</u>

Revenue from contract with customers is recognised from the various construction contracts for construction and renovation of buildings and other engineering projects and sale of development properties.

Interest income is derived from loan receivable from the customers.

4.1 Performance obligations**Proportion of gross contract revenue recognised**

Revenue is recognised over time by reference to the progress towards the complete satisfaction of the performance obligation. Payment is generally due within 30 days from the issuance of progress billing certificate. Defect liability period of 24 months from the date of completion is given to customers.

Sale of development properties

The Group develops and sells properties. Revenue is recognised progressively over time using input method on the basis of the actual costs incurred relative to the estimated total costs. The payment is generally due within 30 days from progress billing date. Defect liability period of 24 months after the date of handing over of vacant possession is given to the customers.

4.2 Transaction price allocated to the remaining performance obligations

The following table shows the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as at the end of reporting period:

	Group	
	2024	2023
	RM	RM
Within one year	35,890,377	82,527,046
More than one year	5,699,017	9,824,580
	<u>41,589,394</u>	<u>92,351,626</u>

4.3 Financing components

The Group does not have any contract where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year except for retention sums receivable for construction services rendered which do not consist of any financing component. As a consequent, the Group does not adjust any of the transaction prices for the time value of money.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

5. Staff costs

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Defined contribution plan	422,151	251,958	114,825	84,225
Salaries, bonus and allowances	3,030,974	1,943,889	732,400	750,484
Other employee related expenses	55,536	33,211	14,694	7,793
	<u>3,508,661</u>	<u>2,229,058</u>	<u>861,919</u>	<u>842,502</u>
Staff costs recognised in contract costs	(1,886,782)	(850,100)	-	-
	<u>1,621,879</u>	<u>1,378,958</u>	<u>861,919</u>	<u>842,502</u>

6. Loss from operations

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Loss from operations is arrived at after charging/ (crediting):				
Auditors' remuneration				
- statutory				
- current year	208,092	212,320	62,640	69,940
- under provision in prior year	-	120	-	-
- non statutory	6,360	25,652	6,360	25,652
Directors' remuneration				
- fees				
- Company	384,000	492,187	384,000	492,187
- subsidiaries	72,000	7,226	-	-
- other than fees				
- Company	248,113	247,150	248,113	247,150
Expenses relating to				
- short term leases	18,000	18,000	-	-
- low value assets	34,530	32,512	-	-
Gain on disposal of right of use assets	-	(56,101)	-	-
Lease income from				
- plant and machinery	(24,952)	-	-	-
- sub-leasing of right of use assets	(100,150)	(93,000)	-	-

The estimated monetary value of benefits in kind received and receivable by the directors otherwise than in cash from the Group and the Company amounted to RM31,450 (2023: RM28,450).



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

7. Finance income

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Interest income from				
- current account	14,487	15,359	1,277	4,440
- advances to a subsidiary	-	-	377,691	63,798
	<u>14,487</u>	<u>15,359</u>	<u>378,968</u>	<u>68,238</u>

8. Finance costs

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Interest expense on				
- bank overdrafts	65,782	46,167	-	-
- hire purchase liabilities	42,801	70,742	-	-
- other lease liabilities	30,709	36,820	-	-
	<u>139,292</u>	<u>153,729</u>	<u>-</u>	<u>-</u>

9. Income tax expense

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Expected income tax payable				
- current	(175,700)	(136,000)	-	-
- under provision in prior years	(11,929)	(1,189,279)	-	(24,275)
Deferred tax (Note 25)				
- current	(217,000)	88,000	-	-
- over provision in prior years	(18,000)	(24,000)	-	-
	<u>(422,629)</u>	<u>(1,261,279)</u>	<u>-</u>	<u>(24,275)</u>

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

9. Income tax expense (continued)

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 is as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Loss before tax	(9,745,293)	(22,703,785)	(16,146,291)	(22,573,842)
Taxation at statutory tax rate of 24% (2023: 24%)	2,338,000	5,448,900	3,875,000	5,418,000
Expenses not deductible for tax purposes	(2,603,800)	(1,731,700)	(3,875,000)	(5,418,000)
Deferred tax assets not recognised	(126,900)	(3,765,200)	-	-
Under/Over provision of tax in prior years				
- current tax	(11,929)	(1,189,279)	-	(24,275)
- deferred tax	(18,000)	(24,000)	-	-
Income tax expense for the year	(422,629)	(1,261,279)	-	(24,275)

10. Loss per share

Basic

Basic loss per ordinary share is calculated based on the net loss attributable to owners of the Company and the weighted average number of ordinary shares in issue as follows:

	Group	
	2024 RM	2023 RM
Net loss attributable to owners of the Company	(6,981,479)	(20,302,639)
Weighted average number of ordinary shares in issue	382,429,396	324,152,322
Basic loss per ordinary share (sen)	(1.83)	(6.26)

Diluted

For the current reporting period, diluted loss per share is not presented in the financial statement as the Company has no dilutive potential ordinary share in issue at the end of the reporting period. For the previous reporting period, diluted loss per share is not presented in the financial statements as there is an anti dilutive effect on loss per share.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

11. Plant and equipment	Computer and software RM	Motor vehicles RM	Office equipment and furniture and fittings RM	Showroom RM	Showroom under construction RM	Total RM
Group Cost						
At 1 April 2022	38,304	73,060	711,598	-	167,887	990,849
Additions	29,390	3,700	418,519	-	51,936	503,545
Transfer	-	-	-	219,823	(219,823)	-
At 31 March 2023	67,694	76,760	1,130,117	219,823	-	1,494,394
Additions	19,147	-	2,000	-	-	21,147
Reclassification from right of use assets	-	800,626	-	-	-	800,626
At 31 March 2024	86,841	877,386	1,132,117	219,823	-	2,316,167
Accumulated depreciation						
At 1 April 2022	34,782	49,076	115,182	-	-	199,040
Charge for the year	8,756	14,908	241,683	53,848	-	319,195
At 31 March 2023	43,538	63,984	356,865	53,848	-	518,235
Charge for the year	16,098	4,204	276,478	54,956	-	351,736
Reclassification from right of use assets	-	640,501	-	-	-	640,501
At 31 March 2024	59,636	708,689	633,343	108,804	-	1,510,472
Carrying amount						
At 31 March 2024	27,205	168,697	498,774	111,019	-	805,695
At 31 March 2023	24,156	12,776	773,252	165,975	-	976,159

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

11. Plant and equipment (continued)

Company	Computer and software RM	Office equipment and furniture and fittings RM	Total RM
Cost			
At 1 April 2022	2,980	-	2,980
Additions	-	28,163	28,163
At 31 March 2023/31 March 2024	<u>2,980</u>	<u>28,163</u>	<u>31,143</u>
Accumulated depreciation			
At 1 April 2022	1,655	-	1,655
Charge for the year	993	2,667	3,660
At 31 March 2023	<u>2,648</u>	<u>2,667</u>	<u>5,315</u>
Charge for the year	331	2,816	3,147
At 31 March 2024	<u>2,979</u>	<u>5,483</u>	<u>8,462</u>
Carrying amount			
At 31 March 2024	<u>1</u>	<u>22,680</u>	<u>22,681</u>
At 31 March 2023	<u>332</u>	<u>25,496</u>	<u>25,828</u>

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

Computer and software	33%
Motor vehicles	20%
Office equipment and furniture and fittings	10% - 33%
Showroom	25%



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

12. Right of use assets

Group	Office premises RM	Motor vehicles RM	Total RM
Cost			
At 1 April 2022	1,750,647	3,004,758	4,755,405
Additions	58,627	263,749	322,376
Disposals	-	(172,310)	(172,310)
At 31 March 2023	1,809,274	3,096,197	4,905,471
Reclassification to plant and equipment	-	(800,626)	(800,626)
At 31 March 2024	<u>1,809,274</u>	<u>2,295,571</u>	<u>4,104,845</u>
Accumulated depreciation			
At 1 April 2022	-	1,364,794	1,364,794
Charge for the year	306,431	384,728	691,159
Disposals	-	(80,411)	(80,411)
At 31 March 2023	306,431	1,669,111	1,975,542
Charge for the year	321,088	409,120	730,208
Reclassification to plant and equipment	-	(640,501)	(640,501)
At 31 March 2024	<u>627,519</u>	<u>1,437,730</u>	<u>2,065,249</u>
Carrying amount			
At 31 March 2024	<u>1,181,755</u>	<u>857,841</u>	<u>2,039,596</u>
At 31 March 2023	<u>1,502,843</u>	<u>1,427,086</u>	<u>2,929,929</u>

Cash payments made to purchase right of use assets are as follows:

	Group	
	2024 RM	2023 RM
Total additions	-	322,376
Additions through		
- hire purchase liabilities	-	(238,000)
- other lease liabilities/lease modification	-	(58,627)
	<u>-</u>	<u>25,749</u>

The right of use asset is depreciated on a straight line basis over the shorter of the lease term and the estimated useful life as follows:

Office premises	2 - 6 years
Motor vehicles	5 years

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

13. Goodwill on consolidation

	Group	
	2024	2023
	RM	RM
Cost		
At beginning/end of year	3,349,675	3,349,675
Accumulated impairment losses		
At beginning of year	1,269,580	-
Impairment loss during the year	-	1,269,580
At end of year	1,269,580	1,269,580
Carrying amount	2,080,095	2,080,095

13.1 Impairment testing for goodwill on consolidation

For the purpose of impairment testing, carrying amount of goodwill is allocated to the following subsidiaries which represent the lowest level cash-generating units within the Group at which the goodwill is monitored for internal management purposes.

	Group	
	2024	2023
	RM	RM
Greenview Pavilion Sdn Bhd ("GPSB")	2,080,095	2,080,095
Amcap Solutions Sdn Bhd ("Amcap")	-	-
	2,080,095	2,080,095

(a) Greenview Pavilion Sdn Bhd

In the current reporting period

The recoverable amount of GPSB cash-generating unit is determined based on its value in use. Value in use is determined by discounting the future cash flows expected to be generated from the cash-generating unit. Value in use was determined based on the following key assumptions:

- Cash flows were projected based on past experience, actual operating results and the estimated gross property development profits for the project undertaken for the next 2 years; and
- The discount rate used for the value in use calculation is based on the country's industry weighted average cost of capital specific to the industry at the rate of 7.62%.

Management has considered and assessed reasonably possible changes of key assumptions and has not identified any instances that could cause the carrying amount to materially exceed its recoverable amount.

**NOTES TO THE FINANCIAL STATEMENTS**

(CONT'D)

13.1 Impairment testing for goodwill on consolidation (continued)**(a) Greenview Pavilion Sdn Bhd (continued)**In the previous reporting period

The recoverable amount of GPSB cash-generating unit is determined based on its value in use. Value in use is determined by discounting the future cash flows expected to be generated from the cash-generating unit. The carrying amount of RM2,997,058 was determined to be higher than its recoverable amount of RM2,080,095 and an impairment loss of RM916,963 was recognised. Value in use was determined based on the following key assumptions:

- Cash flows were projected based on past experience, actual operating results and the estimated gross property development profits for the project undertaken for the next 2 years; and
- The discount rate used for the value in use calculation is based on the country's industry weighted average cost of capital specific to the industry at the rate of 8.93%.

(b) Amcap Solutions Sdn Bhd

In the previous reporting period, the recoverable amount of Amcap cash-generating unit is determined based on its value in use and it is being determined that the recoverable amount is RM Nil as Amcap is not expected to be profitable based on its current business plan. As a result, an impairment loss of RM352,617 was recognised.

The impairment loss for the previous reporting period of RM1,269,580 on the goodwill on consolidation has been included under "Administrative expenses" line item in the Group's statement of comprehensive income.

14. Investment in subsidiaries

	Company	
	2024	2023
	RM	RM
Unquoted shares, at cost		
At beginning of year	73,636,932	73,636,732
Subscription of shares in subsidiaries	100	200
	73,637,032	73,636,932
Accumulated impairment losses		
At beginning of year	46,864,100	26,500,000
Impairment loss for the year	11,068,439	20,364,100
At end of year	57,932,539	46,864,100
Carrying amount	15,704,493	26,772,832

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

14. Investment in subsidiaries (continued)

The details of the subsidiaries are as follows:

Subsidiaries of the Company	Country of incorporation	Group's effective and voting interest		Principal activities
		2024 %	2023 %	
Infraharta Sdn Bhd	Malaysia	100	100	Construction and renovation of buildings
Infraharta Green Energy Sdn Bhd	Malaysia	100	100	Construction of other engineering projects
Infraharta Bina Sdn Bhd	Malaysia	80	80	Construction of buildings and other engineering projects
Infraharta Industries Sdn Bhd	Malaysia	100	100	Dormant
Infraharta Construction Sdn Bhd	Malaysia	100	-	Dormant
Wande Development Sdn Bhd	Malaysia	100	100	Property development, property investment and investment holding
Wande Development (Sabah) Sdn Bhd	Malaysia	100	100	Intended activity, property developer and contractor of construction and renovation of buildings
Amcap Solutions Sdn Bhd	Malaysia	100	100	Money lending business
Subsidiaries of Infraharta Sdn Bhd				
Vertice Infrastructure Sdn Bhd	Malaysia	100	100	Dormant
Buildmarque Construction Sdn Bhd	Malaysia	50	50	Construction of buildings and other engineering projects
Subsidiary of Wande Development Sdn Bhd				
Greenview Pavilion Sdn Bhd	Malaysia	55	55	Property development and property investment

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

14. Investment in subsidiaries (continued)

In the current reporting period, the Company incorporated a wholly-owned subsidiary, Infraharta Construction Sdn Bhd, with an issued and paid-up share capital of RM100.

In the previous reporting period:

- a) The Company incorporated a wholly-owned subsidiary, Infraharta Industries Sdn Bhd, with an issued and paid-up share capital of RM100.
- b) The Company incorporated a wholly-owned subsidiary, Wande Development (Sabah) Sdn Bhd, with an issued and paid-up share capital of RM100.

14.1 Impairment of investment in subsidiaries

The directors have performed an impairment test on the impaired subsidiaries and impairment loss had been recognised to write down the investments to their respective recoverable amounts as follows:

	Company	
	2024	2023
	RM	RM
<u>Impairment loss recognised</u>		
Infraharta Sdn Bhd	11,041,000	19,684,500
Infraharta Green Energy Sdn Bhd	(38,398)	69,200
Infraharta Industries Sdn Bhd	-	100
Vertice Infrastructure Sdn Bhd	-	100
Wande Development Sdn Bhd	-	100
Wande Development (Sabah) Sdn Bhd	-	100
Amcap Solutions Sdn Bhd	65,737	610,000
Infraharta Construction Sdn Bhd	100	-
	<u>11,068,439</u>	<u>20,364,100</u>

(a) Infraharta Sdn Bhd ("ISB")

ISB had been suffering recurring losses which led to impairment review on the investment in ISB. The recoverable amount of the investment cost is determined based on its value in use calculations using future cash flows expected to be generated with the following key assumptions:

- i) The discount rate used for the value in use calculation is based on the country's industry weighted average cost of capital specific to the industry at the rate of 8.63% (2023: 9.05%).
- ii) Cash flows were projected based on past experience, actual operating results and the 2 years business plan which is consistent with the project completion cycle of the projects secured.

Based on the assessment of recoverable amount, the Company has further recognised an impairment loss of RM11,041,000 (2023: RM19,684,500) to write down the investment in ISB to RM13,608,285 (2023: RM24,649,285).

Management has considered and assessed reasonably possible changes of key assumptions and has not identified any instances that could cause the carrying amount of the investment cost of ISB to materially exceed its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

14.1 Impairment of investment in subsidiaries (continued)

(b) Other subsidiaries

The recoverable amount of the other investment in subsidiaries is determined based on the value in use (arrived at based on the net assets) of the respective subsidiaries as they are not expected to generate future cash inflows in the foreseeable future.

The net amount of impairment loss has been recognised in the Company's statement of comprehensive income under "Administrative expenses" line item.

15. Other investments

	Company and Group	
	2024	2023
	RM	RM
Fair value through profit or loss:		
Unquoted equity instruments		
At beginning of year	-	9,000,000
Disposal	-	(9,000,000)
At end of year	-	-
Fair value through other comprehensive income:		
Unquoted equity instruments		
At beginning of year	5,242,000	5,508,000
Fair value adjustment	(1,523,000)	(266,000)
At end of year	3,719,000	5,242,000
Total carrying amount	3,719,000	5,242,000

Fair value through other comprehensive income

The investment in equity instruments at fair value through other comprehensive income is designated as such because the investment is intended to be held for long-term strategic purposes.

The fair value of unquoted equity instruments at fair value through other comprehensive income is determined by discounting the future cash flows expected to be generated and the following are the key assumptions:

- Cash flows were projected based on past experience, actual and anticipated operating results and the 4-years (2023: 4 years) business plan which is consistent with the project completion cycle and the terminal value based on secured construction contract .
- The key industry market data used for the calculation of discount rate of 16% (2023: 14%) is debt to equity ratio of 117% (2023: 133%) and market interest rate of 5.34% (2023: 4.10%).



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

16. Trade receivables

	Group	
	2024 RM	2023 RM
Retention sums for construction contract works	6,803,120	9,733,531
Trade receivables from:		
- construction contract works	42,648,016	37,444,102
- property development	513,928	15,000
- others	-	302,139
	49,965,064	47,494,772
Less: Allowance for lifetime expected credit losses	(26,630,937)	(23,836,965)
	23,334,127	23,657,807
Less: Portion due within one year	(13,407,012)	(14,323,755)
Non current portion	9,927,115	9,334,052

	Group	
	2024 RM	2023 RM
The non current portion of the trade receivables is receivable as follows:		
Later than 1 year and not later than 2 years	6,750,647	1,943,463
Later than 2 years and not later than 5 years	3,176,468	7,390,589
	9,927,115	9,334,052

Trade receivables for the construction contracts are not secured by any collateral or credit enhancements while those of property development activities are secured by the property sold or credit guarantee from the financial institution of the respective buyer.

The following table details the credit risk exposure on the Group's trade receivables.

	Group	
	2024 RM	2023 RM
Not past due	17,975,201	18,730,541
1 - 30 days past due	1,543,354	3,045,223
31 - 60 days past due	1,486,424	268,008
More than 90 days past due	28,960,085	25,451,000
	49,965,064	47,494,772
Less: Allowance for lifetime expected credit losses	(26,630,937)	(23,836,965)
	23,334,127	23,657,807

The movements in the allowance for lifetime expected credit losses of trade receivables during the reporting period are as follows:

	Group	
	2024 RM	2023 RM
At beginning of year	23,836,965	15,954,602
Allowance for lifetime expected credit losses	3,860,405	9,107,722
Write offs	(1,066,433)	(1,225,359)
At end of year	26,630,937	23,836,965

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

17. Other receivables, deposits and prepayments

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Current portion:				
Amount due from a sub-contractor	3,124,011	3,249,079	-	-
Less: Allowance for lifetime expected credit losses	(3,124,011)	(3,124,011)	-	-
	-	125,068	-	-
Deposits	2,107,885	2,098,751	800,000	800,000
Advance payments for construction costs	7,000,000	7,000,000	-	-
Less: Allowance for lifetime expected credit losses	(2,710,879)	(1,120,444)	-	-
	4,289,121	5,879,556		
Refundable security deposits for construction contract	1,000,000	2,000,000	-	-
Less: Allowance for lifetime expected credit losses	(15,000)	(15,000)	-	-
	985,000	1,985,000	-	-
Other receivables	620,777	544,277	544,277	544,277
Less: Allowance for lifetime expected credit losses	(364,477)	(254,277)	(364,477)	(254,277)
	256,300	290,000	179,800	290,000
Prepayments	1,297,391	1,193,103	261,045	181,143
	8,935,697	11,571,478	1,240,845	1,271,143
Non current portion				
Amount due from subsidiaries	-	-	22,566,885	20,327,123
Less: Allowance for lifetime expected credit losses	-	-	(3,642,167)	-
	-	-	18,924,718	20,327,123
	8,935,697	11,571,478	20,165,563	21,598,266



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

17. Other receivables, deposits and prepayments (continued)

In conformance with the Financial Reporting Standards Implementation Committee Consensus 31 – Classification of the Amount Due from Subsidiaries and Amount Due to Holding Company that is Repayable on Demand issued by the Malaysian Institute of Accountants, the amount due from subsidiaries of RM18,924,718 (2023: RM20,327,123) has been presented under non current assets as these advances are not expected to be realised within 12 months after the reporting date.

The movements in the allowance for lifetime expected credit losses of other receivables during the reporting period are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
At beginning of year	4,513,732	4,653,732	254,277	254,277
Allowance for lifetime expected credit losses	1,700,635	15,000	3,752,367	-
Allowance for lifetime expected credit losses no longer required	-	(155,000)	-	-
At end of year	<u>6,214,367</u>	<u>4,513,732</u>	<u>4,006,644</u>	<u>254,277</u>

18. Contract with customers

18.1 Contract assets/(liabilities)

	Group	
	2024 RM	2023 RM
Contract assets arising from		
- construction contracts	21,182,718	17,085,689
Less: Allowance for lifetime expected credit losses	(2,510,419)	(18,688)
	<u>18,672,299</u>	<u>17,067,001</u>
- property development activities	3,218,509	3,240,558
	<u>21,890,808</u>	<u>20,307,559</u>
Contract liabilities arising from		
- construction contracts	(341,500)	-

(a) Contract assets and liabilities arising from construction contracts

The contract assets represent 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.

The contract liabilities primarily relate to the advance consideration received for construction contracts, which revenue is recognised over time. The contract liabilities are expected to be recognised as revenue over a period of 30 days.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

18.1 Contract assets/(liabilities) (continued)

The changes to the net contract assets/(liabilities) are as follows:

	Group	
	2024 RM	2023 RM
At beginning of year	17,085,689	18,888,327
Revenue recognised during the year (Note 4)	47,454,605	23,562,695
Progress billings for the year	(43,357,576)	(25,365,333)
	21,182,718	17,085,689
Less: Allowance for lifetime expected credit losses	(2,510,419)	(18,688)
At end of year	18,672,299	17,067,001

The movements in the allowance for lifetime expected credit losses of contract assets during the reporting period are as follows:

	Group	
	2024 RM	2023 RM
At beginning of year	18,688	79,568
Allowance for lifetime expected credit losses	2,491,731	18,688
Allowance for lifetime expected credit losses no longer required	-	(79,568)
At end of year	2,510,419	18,688

(b) Contract assets from property development activities

The contract assets represent the Group's right to consideration for work completed on sold properties under developments but not yet billed at the reporting date. The amount will be billed in accordance to the agreed milestones in the contract.

The changes to the contract assets are as follows:

	Group	
	2024 RM	2023 RM
At beginning of year	3,240,558	1,638,001
Revenue recognised during the year (Note 4)	8,790,561	6,148,723
Progress billings for the year	(8,812,610)	(4,546,166)
At end of year	3,218,509	3,240,558

**NOTES TO THE FINANCIAL STATEMENTS**

(CONT'D)

18.2 Contract costs

	Group	
	2024	2023
	RM	RM
Costs to fulfil contracts	-	158,381
Incremental costs of obtaining contracts	113,753	296,608
	<u>113,753</u>	<u>454,989</u>

Incremental costs of obtaining contracts represent commission fees incurred in obtaining contracts and they are recoverable. Commission fees are amortised when the related revenue is recognised.

The amount of contract costs amortised in profit or loss are as follows:

	Group	
	2024	2023
	RM	RM
Contract fulfilment costs for		
- construction contracts	46,008,206	29,292,613
- property development	7,675,662	5,800,699
	<u>53,683,868</u>	<u>35,093,312</u>

19. Inventories

	Group	
	2024	2023
	RM	RM
At cost:		
Properties under development	20,152,061	19,016,651
	<u>20,152,061</u>	<u>19,016,651</u>

20. Fixed deposits with a licensed bank

The fixed deposits with a licensed bank of the Group are pledged to secure financing facilities of the Group.

21. Cash and bank balances

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Bank balances held pursuant to Section 7A of the Housing Development Control and Licensing Act 1996 and restricted from use				
In other operations	750,728	789,636	-	-
Cash and bank balances	1,026,435	996,886	305,017	241,049
	<u>1,777,163</u>	<u>1,786,522</u>	<u>305,017</u>	<u>241,049</u>

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

22. Share capital

	Group and Company			
	2024 No. of ordinary shares	2023 No. of ordinary shares	2024 RM	2023 RM
Issued and fully paid:				
At beginning of year	371,679,719	319,179,719	144,743,637	139,808,637
Issuance of shares pursuant to:				
- private placement	21,818,000	-	2,294,104	-
- conversion of redeemable convertible preference shares (Note 29)	12,500,000	52,500,000	1,175,000	4,935,000
At end of year	<u>405,997,719</u>	<u>371,679,719</u>	<u>148,212,741</u>	<u>144,743,637</u>

During the reporting period, the Company increased its issued and paid up share capital via a private placement of 21,818,000 new ordinary shares at an issue price of RM0.11 per share for cash. Issuance cost of RM105,876 which were directly attributable to the issuance of shares have been netted against the cash consideration received. The shares were issued for construction and property development projects expenditure and working capital purposes.

In addition, the Company also issued 12,500,000 (2023: 52,500,000) ordinary shares arising from the conversion of 12,500,000 (2023: 52,500,000) redeemable convertible preference shares at the conversion price of RM0.10 per share. The salient features of the redeemable convertible preference shares are disclosed in Note 29.

- (i) 12,500,000 redeemable convertible preference shares at RM0.10 per share for cash. The 12,500,000 redeemable convertible preference shares were subsequently converted to 12,500,000 ordinary shares at a conversion price of RM0.10 per share. The shares were issued for working capital purposes. The salient features of the redeemable convertible preference shares are disclosed in Note 29.

The new ordinary shares issued rank pari passu with the then existing ordinary shares of the Company.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

22.1 Warrants 2014/2024

The Company had in March 2014 issued 60,000,000 warrants in conjunction with its bonus issue exercise. The warrants are constituted by a deed poll dated 11 March 2014 ("Deed Poll").

The salient features of the warrants are as follows:

- (a) The issue date of the warrants is 1 April 2014 and the expiry date is on 31 March 2024. Any warrants not exercised at the expiry date will lapse and cease to be valid for any purpose;
- (b) Each warrant entitles the registered holder the right to subscribe for one (1) new ordinary share in the Company at an exercise price of RM0.50 per ordinary share until the expiry of the exercise period;
- (c) The exercise price and the number of unexercised warrants are subject to adjustment in the event of alteration to the share capital of the Company, capital distribution or issue of shares in accordance with the provisions in the Deed Poll;
- (d) The warrant holders are not entitled to participate in any distribution and/or offer of further securities in the Company (except for the issue of new warrants pursuant to adjustment as mentioned in item (c) above), unless and until such warrant holders exercise their rights to subscribe for new ordinary shares; and
- (e) The new ordinary shares to be issued upon exercise of the warrants, shall upon issuance and allotment, rank pari passu with the then existing ordinary shares, except that they will not be entitled to dividends, rights, allotments and/or other distributions, declared by the Company which entitlement thereof precedes the allotment date of the new ordinary shares allotted pursuant to the exercise of the warrants.

The movements in the Company's warrants during the reporting period are as follows:

	Entitlement for ordinary shares			Balance at 31.3.2024
	Balance at 1.4.2023	Exercised	Expired	
Number of unexercised warrants	60,000,000	-	(60,000,000)	-
	<u>60,000,000</u>	<u>-</u>	<u>(60,000,000)</u>	<u>-</u>
	Entitlement for ordinary shares			Balance at 31.3.2023
	Balance at 1.4.2022	Exercised	Expired	
Number of unexercised warrants	60,000,000	-	-	60,000,000
	<u>60,000,000</u>	<u>-</u>	<u>-</u>	<u>60,000,000</u>

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

22.2 Share issuance scheme options

The Company implemented an Employees' Share Issuance Scheme ("SIS") which is governed by its By-Laws as approved by the Company's shareholders at the Extraordinary General Meeting held on 22 November 2017.

The salient features of the SIS are as follows:

- (a) The SIS was implemented on 18 December 2017 and is in force for a period of 5 years until 17 December 2022 in accordance with the terms of the By-Laws. The Company had extended the scheme for further period of 5 years commencing from 18 December 2022 to 17 December 2027;
- (b) The total number of new shares to be offered pursuant to the SIS shall be subject to a maximum of 15% of the Company's issued and paid up share capital (excluding treasury shares) at any one time;
- (c) Any employees (including directors) of the Group shall be eligible to participate in the SIS, if as at the date of offer, the employee:
 - (i) has attained the age of eighteen (18) years; and
 - (ii) is employed by a company in the Group, which is not dormant.

The allocation criteria of new ordinary shares comprised in the options to eligible employees shall be determined at the discretion of the SIS Committee. The participation of Director of the Company in the SIS shall be approved by the shareholders of the Company in a general meeting;

- (d) The price payable upon exercise of SIS shall be based on the weighted average market price of the Company's shares as shown in the Daily Official List of Bursa Malaysia Securities Berhad for the five (5) market days immediately preceding the date of offer with an allowance of a discount of not more than 10%;
- (e) The new ordinary shares to be issued upon exercise of the SIS, shall upon issuance and allotment, rank pari passu with the then existing ordinary shares, except that they will not be entitled to dividends, rights, allotments and/or other distributions, declared by the Company which entitlement thereof precedes the allotment date of the new ordinary shares allotted pursuant to the exercise of the SIS; and
- (f) The exercise price and the number of new ordinary shares comprised in the SIS are subject to adjustment in the event of alteration to the share capital of the Company in accordance with the provisions in the By-Laws.

During the current and previous reporting periods, no options have been granted by the Company to any parties under the SIS.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

23. Reserves

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Distributable:				
Accumulated losses	(95,406,772)	(88,425,293)	(104,289,756)	(88,143,465)
Non distributable:				
Fair value reserve	(6,141,000)	(4,618,000)	(6,141,000)	(4,618,000)
	<u>(101,547,772)</u>	<u>(93,043,293)</u>	<u>(110,430,756)</u>	<u>(92,761,465)</u>

Fair value reserve represents the cumulative net changes in the fair value of equity instruments designated as fair value through other comprehensive income until the assets are derecognised.

24. Lease liabilities

	Group	
	2024 RM	2023 RM
Hire purchase liabilities	734,089	1,255,662
Other lease liabilities	1,207,802	1,519,094
Principal portion	1,941,891	2,774,756
Less: Portion due within one year	(727,684)	(832,511)
Non current portion	<u>1,214,207</u>	<u>1,942,245</u>
The non current portion of lease liabilities is payable as follows:		
Later than 1 year and not later than 2 years	879,686	1,204,489
Later than 2 years and not later than 5 years	334,521	737,756
	<u>1,214,207</u>	<u>1,942,245</u>

The weighted average effective interest rates are as follows:

	Group	
	2024 %	2023 %
Hire purchase liabilities	4.40	4.36
Other lease liabilities	<u>2.23</u>	<u>2.23</u>

The Group had total cash outflows for leases of RM958,905 (2023: RM1,069,285).

25. Deferred tax (liability)/assets

	Group	
	2024 RM	2023 RM
At beginning of year	225,000	161,000
Recognised in profit or loss (Note 9)		
- current year	(217,000)	88,000
- over provision in prior years	(18,000)	(24,000)
At end of year	<u>(10,000)</u>	<u>225,000</u>

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

25. Deferred tax (liability)/assets (continued)

	Group	
	2024	2023
	RM	RM
Presented after appropriate offsetting as follows:		
Deferred tax assets	87,000	353,000
Deferred tax liability	(97,000)	(128,000)
	(10,000)	225,000

Deferred tax assets of the Group are in respect of the following:

	Group			
	Gross	2023	Tax effects	2023
	2024	RM	2024	RM
	RM	RM	RM	RM
Differences between accounting depreciation and finance lease payments	26,000	16,000	6,000	4,000
Differences between tax capital allowances and accounting depreciation	477,000	-	114,000	-
Unabsorbed business losses to be utilised up to financial year ending				
- 2029	-	158,000	-	38,000
- 2030	106,000	339,000	25,300	81,400
- 2031	993,000	7,820,000	237,900	1,876,900
- 2032	3,269,600	5,084,600	784,200	1,219,200
- 2033	9,952,100	4,238,000	2,388,900	1,017,000
- 2034	269,000	-	64,000	-
Unabsorbed capital allowances	9,500	19,500	2,400	4,400
Other deductible temporary differences	34,975,000	28,099,000	8,394,000	6,744,000
	50,077,200	45,774,100	12,016,700	10,984,900
Less: Deferred tax assets recognised	(362,000)	(1,472,000)	(87,000)	(353,000)
Deferred tax assets not recognised	49,715,200	44,302,100	11,929,700	10,631,900

Portion of the deferred tax assets has not been recognised as it is not probable that taxable profit will be available in the foreseeable future to utilise these temporary differences.

Deferred tax liability of the Group is in respect of the following:

	Group	
	2024	2023
	RM	RM
Tax effects of differences between tax capital allowances and accounting depreciation	97,000	128,000



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

26. Trade payables

	Group	
	2024 RM	2023 RM
Retention sums for contract works	5,569,215	3,210,546
Trade payables	22,234,881	16,723,486
	<u>27,804,096</u>	<u>19,934,032</u>
Less: Portion due within one year	(24,842,733)	(17,109,916)
Non current portion	<u>2,961,363</u>	<u>2,824,116</u>
	Group	
	2024 RM	2023 RM
The non current portion of the trade payables are payable as follows:		
Later than 1 year and not later than 2 years	939,379	771,803
Later than 2 years and not later than 5 years	2,021,984	2,052,313
	<u>2,961,363</u>	<u>2,824,116</u>

The normal trade credit terms granted to the Group range from 30 days to 60 days (2023: 30 days to 60 days).

27. Other payables and accruals

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Amount due to subsidiaries	-	-	2,041,045	1,772,132
Accruals	563,769	1,006,655	139,956	195,950
Amount due to non-controlling interests of a subsidiary	1,730,903	1,985,810	-	-
Amount due to a director of a subsidiary	5,983,470	5,976,873	-	-
Refundable deposits received from customers	1,868,434	2,565,198	-	-
Other payables	1,949,335	2,532,521	68,060	16,418
Statutory liabilities	75,098	40,742	24,636	19,303
	<u>12,171,009</u>	<u>14,107,799</u>	<u>2,273,697</u>	<u>2,003,803</u>

The amounts due to non-controlling interests of a subsidiary and a director of a subsidiary represent unsecured interest free advances repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

28. Short term borrowings

	Group	
	2024 RM	2023 RM
Secured:		
Bank overdraft	755,344	747,457
Trade financing	-	124,000
	755,344	871,457

The effective interest rates of the borrowings are as follows:

	Group	
	2024 %	2023 %
Bank overdraft	8.40	8.15
Trade financing	-	5.51
	-	5.51

The borrowings of the Group are secured by way of fixed deposits pledged with a licensed bank.

29. Redeemable convertible preference shares

	Group and Company			
	2024 No. of shares	2023 No. of shares	2024 RM	2023 RM
Issued and fully paid:				
At beginning of year	-	-	-	-
Issuance of redeemable convertible preference shares ("RCPS") recognised as financial liability	12,500,000	52,500,000	1,175,000	4,935,000
Conversion of RCPS into ordinary shares (Note 22)	(12,500,000)	(52,500,000)	(1,175,000)	(4,935,000)
At end of year	-	-	-	-

The Company entered into a subscription agreement dated 30 September 2020 for the issuance of up to 600,000,000 RCPS at an issue price of RM0.10 each which was approved by its shareholders at the Extraordinary General Meeting held on 11 December 2020.

During the reporting period, the Company issued 12,500,000 (2023: 52,500,000) RCPS at an issue price of RM0.10 each for cash. Issuance costs of RM75,000 (2023: RM315,000) which were directly attributable to the issuance of RCPS have been netted against the cash consideration received. These RCPS issued have been subsequently converted to 12,500,000 (2023: 52,500,000) ordinary shares at the conversion price of RM0.10 per share.

**NOTES TO THE FINANCIAL STATEMENTS**

(CONT'D)

29. Redeemable convertible preference shares (continued)

The salient features of the RCPS are as follows:

RCPS Maturity Date	:	3 years from 23 December 2020 being the issuance date of Tranche 1 of the RCPS
Dividend	:	Cumulative preferential dividend at 2% per annum based on the RCPS issue price payable semi-annually
Conversion Right	:	Subject to RCPS Conversion Downside Redemption, RCPS Conversion Cap and RCPS Maximum Conversion Shares threshold, any RCPS may be converted into new ordinary shares of the Company, at the option of the RCPS holders, at any time, before the RCPS Maturity Date
RCPS Conversion Price	:	The RCPS Conversion Price shall be 80% of the average market closing price of the Company for any 3 consecutive business days as selected by the RCPS holders during the 45 business days immediately preceding the relevant conversion date of the RCPS, subject to the RCPS Minimum Conversion Price
RCPS Conversion Cap	:	The RCPS holders, collectively or together with their affiliates, shall not at any time hold more than 20% interest in the enlarged total number of ordinary shares of the Company without the prior approval of the Company
RCPS Maximum Conversion Shares	:	375,000,000 ordinary shares
RCPS Minimum Conversion Price	:	Minimum conversion price of RM0.10, at which RCPS can be converted into ordinary shares
RCPS Non-Default Redemption amount	:	115% of the issue price of the RCPS
RCPS Redemption Period	:	The period from the issue date to the RCPS Maturity Date
RCPS Conversion Downside Redemption	:	The Company may redeem the RCPS presented for conversion in cash at the RCPS Conversion Redemption Price if the RCPS Conversion Price is less than or equal to 65% of the daily average of the traded volume weighted average prices of the Company's shares for the 45 consecutive business days period prior to issue date in respect of each tranche
RCPS Conversion Redemption Price	:	RCPS issue price with a cumulative additional 8% per annum over issue price calculated from the issuance date
Ranking of RCPS	:	The RCPS shall rank in regard to return of capital and dividend in priority to the ordinary shares of the Company

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

29. Redeemable convertible preference shares (continued)

Priority on liquidation and return of capital	:	<p>In the event of liquidation, winding up or return of capital of the Company:</p> <p>(i) the RCPS holder shall have priority in the repayment of capital (based on issue price) together with any arrears of any declared but unpaid dividend on a cumulative basis calculated to the date of such repayment over holders of shares with respect to any net proceeds from liquidation of the Company after payments to all the creditors of the Company, whether secured or unsecured; and</p> <p>(ii) the RCPS holder shall not be entitled to participate in any surplus assets or profits as may become available after the repayment of capital together with any arrears of any declared but unpaid dividend</p>
RCPS Voting Rights	:	RCPS shall carry no right to vote at any general meeting of the Company except for variation of RCPS holders' rights
Ranking of the Conversion Shares	:	The ordinary shares issued from conversion of RCPS shall, upon allotment and issuance, rank equally in all respects with the then existing ordinary shares

30. Significant related party disclosures

30.1 Related party balances

Individually significant outstanding balances arising from transactions other than normal trade transactions are as follows:

Type of transactions	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Financial assets				
With subsidiaries				
Infraharta Sdn Bhd	-	-	5,571,161	3,677,317
Interest receivable			441,489	63,798
Infraharta Bina Sdn Bhd	-	-	1,727,363	3,494,670
Infraharta Industries Sdn Bhd	-	-	15,411	8,028



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

30.1 Related party balances (continued)

	Type of transactions	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Financial assets					
Wande Development Sdn Bhd	Advances	-	-	14,563,059	13,067,455
	Allowance for expected credit loss	-	-	(3,495,134)	-
		-	-	11,067,925	13,067,455
Wande Development (Sabah) Sdn Bhd	Advances	-	-	245,054	15,855
	Allowance for expected credit loss	-	-	(147,033)	-
		-	-	98,021	15,855
Infraharta Construction Sdn Bhd	Advances	-	-	3,348	-
Financial liabilities					
With subsidiaries					
Amcap Solutions Sdn Bhd	Assignment of debts	-	-	(1,112,172)	(838,207)
Infraharta Green Energy Sdn Bhd	Advances	-	-	(928,873)	(933,925)

The above balances are unsecured, and receivable/repayable on demand. Other than the balance with Infraharta Sdn Bhd which bears interest at the effective rate of 7.65% (2023: 7.65%), the other balances are interest free.

30.2 Related party transactions

	Type of transactions	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
With subsidiaries					
Infraharta Sdn Bhd	Interest income	-	-	377,691	63,798
Amcap Solutions Sdn Bhd	Secondment fee income	-	-	180,000	144,000

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

30.3 Compensation of key management personnel

Key management personnel are those personnel having authority and responsibility for planning, directing and controlling the activities of the entity either directly or indirectly. The remuneration of key management personnel is as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Executive directors:				
Salaries, allowances and bonus	180,000	180,000	180,000	180,000
Defined contribution plan	29,250	27,000	29,250	27,000
Other employee related expenses	1,263	964	1,263	964
	210,513	207,964	210,513	207,964
Non executive directors:				
Remuneration other than fees	37,600	-	37,600	-
Fees	456,000	499,412	384,000	492,187
	493,600	499,412	421,600	492,187
Other key management personnel:				
Salaries, allowances and bonus	878,267	1,105,704	371,000	380,000
Defined contribution plan	131,745	165,915	55,650	57,015
Estimated money value of benefits other than in cash	40,757	58,750	25,500	25,500
	1,050,769	1,330,369	452,150	462,515
	<u>1,754,882</u>	<u>2,037,745</u>	<u>1,084,263</u>	<u>1,162,666</u>

31. Segment information

Segment information is primarily presented in respect of the Group's business segment which is based on the Group's management and internal reporting structure. Management monitors the operating results of its business segment separately for the purposes of making decision about resources allocation and performance assessment.

The Group is organised into business units based on their services, and has three reportable operating segments as follows:

- | | | |
|----------------------|---|---|
| Construction | - | Construction and renovation of buildings and other engineering projects |
| Property development | - | Property development activities |
| Others | - | Investment holding and other activities |



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

31. Segmental information (continued)

2024	Construction RM	Property development RM	Others RM	Total RM	Elimination RM	Consolidated RM
Revenue						
External revenue	47,454,605	8,790,561	7,767	56,252,933	-	56,252,933
Results						
(Loss)/Profit from operations	(8,089,264)	502,494	(16,678,487)	(24,265,257)	14,644,769	(9,620,488)
Finance income	97	13,113	378,968	392,178	(377,691)	14,487
Finance costs	(516,295)	(688)	-	(516,983)	377,691	(139,292)
(Loss)/Profit before tax	(8,605,462)	514,919	(16,299,519)	(24,390,062)	14,644,769	(9,745,293)
Income tax expense	(154,629)	(268,000)	-	(422,629)	-	(422,629)
Net (loss)/profit for the year	(8,760,091)	246,919	(16,299,519)	(24,812,691)	14,644,769	(10,167,922)
Non controlling interests	3,345,265	(158,822)	-	3,186,443	-	3,186,443
Net (loss)/profit attributable to owners of the Company	(5,414,826)	88,097	(16,299,519)	(21,626,248)	14,644,769	(6,981,479)
2024						
Assets and liabilities						
Segment assets	53,777,436	24,484,668	38,934,730	117,196,834	(31,189,613)	86,007,221
Segment liabilities	34,994,971	30,311,702	1,227,584	66,534,257	(23,504,217)	43,030,040

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

 31. **Segmental information** (continued)

2024	Construction RM	Property development RM	Others RM	Total RM	Elimination RM	Consolidated RM
Other information						
Capital expenditure	19,147	2,000	-	21,147	-	21,147
Depreciation of plant and equipment	225,761	122,828	3,147	351,736	-	351,736
Depreciation of right of use assets	700,895	29,313	-	730,208	-	730,208
Material non cash items other than depreciation and amortisation						
- Impairment loss on investment in subsidiaries	-	-	11,002,602	11,002,602	(11,002,602)	-
- Net allowance for expected credit losses	7,942,571	-	3,752,367	11,694,938	(3,642,167)	8,052,771

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

31. Segmental information (continued)

2023	Construction RM	Property development RM	Others RM	Total RM	Elimination RM	Consolidated RM
Revenue						
External revenue	23,562,695	6,148,723	39,055	29,750,473	-	29,750,473
Results						
Loss from operations	(23,252,441)	(2,103,392)	(22,815,481)	(48,171,314)	25,605,899	(22,565,415)
Finance income	18,118	10,539	68,238	96,895	(81,536)	15,359
Finance costs	(235,265)	-	-	(235,265)	81,536	(153,729)
Loss before tax	(23,469,588)	(2,092,853)	(22,747,243)	(48,309,684)	25,605,899	(22,703,785)
Income tax expense	(1,300,306)	63,302	(24,275)	(1,261,279)	-	(1,261,279)
Net loss for the year	(24,769,894)	(2,029,551)	(22,771,518)	(49,570,963)	25,605,899	(23,965,064)
Non controlling interests	3,409,819	252,606	-	3,662,425	-	3,662,425
Net loss attributable to owners of the Company	(21,360,075)	(1,776,945)	(22,771,518)	(45,908,538)	25,605,899	(20,302,639)
2023						
Assets and liabilities						
Segment assets	53,816,905	23,496,559	52,354,990	129,668,454	(40,719,661)	88,948,793
Segment liabilities	28,260,656	29,570,512	294,457	58,125,625	(20,375,831)	37,749,794

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

 31. **Segmental information** (continued)

2023	Construction RM	Property development RM	Others RM	Total RM	Elimination RM	Consolidated RM
Other information						
Capital expenditure	506,371	291,387	28,163	825,921	-	825,921
Depreciation of property, plant and equipment	212,157	103,378	3,660	319,195	-	319,195
Depreciation of right of use assets	676,502	14,657	-	691,159	-	691,159
Material non cash items other than depreciation and amortisation						
- Impairment loss on investment in subsidiaries	-	-	19,684,500	19,684,500	(19,684,500)	-
- Net allowance for expected credit losses	8,906,842	-	-	8,906,842	-	8,906,842
- Impairment loss on goodwill on consolidation	-	-	1,269,580	1,269,580	-	1,269,580



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

31. Segmental information (continued)

31.1 Geographical information

The Group's activities are predominantly in Malaysia.

31.2 Major customers

Revenue from transactions with major customers that individually accounted for 10 percent or more of the Group's revenue is summarised below:

	2024	2023
	RM	RM
Customer A	6,360,594	-
Customer B	-	(8,722,000)
Customer C	-	5,330,122
Customer D	10,973,832	5,568,153
Customer E	-	6,622,248
Customer F	6,493,033	3,918,547
Customer G	11,153,510	6,731,146
	<u>6,360,594</u>	<u>6,731,146</u>

32. Financial instruments and financial risk management

32.1 Categories of financial instruments

The following table sets out the financial instruments as at the reporting date:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Financial assets				
Fair value through other comprehensive income:				
- other investments	3,719,000	5,242,000	3,719,000	5,242,000
Amortised cost:				
- trade and other receivables	30,972,433	34,036,182	19,904,518	21,417,123
- cash and bank balances	1,777,163	1,786,522	305,017	241,049
- fixed deposits with a licensed bank	233,925	222,805	-	-
	<u>36,702,521</u>	<u>41,287,509</u>	<u>23,928,535</u>	<u>26,900,172</u>
Financial liabilities				
Amortised cost:				
- lease liabilities	1,941,891	2,774,756	-	-
- short term borrowings	755,344	871,457	-	-
- trade and other payables	39,900,007	34,001,089	2,249,061	1,984,500
	<u>42,597,242</u>	<u>37,647,302</u>	<u>2,249,061</u>	<u>1,984,500</u>

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

32.2 Financial risk management objectives and policies

The Group's overall financial risk management programme seeks to minimise potential adverse effects on financial performance of the Group.

The Group does not hold or issue derivative financial instruments for speculative purposes.

There has been no change in the Group's exposure to these financial risks or the manner in which it manages and measures the risk.

Credit risk management

The Group's credit risk is primarily attributable to its trade and other receivables, contract assets and bank balances. The Group minimises credit risk by dealing exclusively with high credit worthy counterparties. At reporting date, there were no significant concentrations of credit risk other than the following:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Amount due from one contract customer (2023: one)	13,363,069	19,986,295	-	-
Amount due from two subsidiaries (2023: one)	-	-	17,080,575	13,067,455

The Group's credit risk grading framework for expected credit losses ("ECL") model is as follows:

Category	Definition	Basis for recognition of ECL
Performing	The debtor has a low risk of default and a strong capacity to meet contractual cash flows.	12-month ECL
Doubtful	Amount is > 30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit impaired
Default	Amount is > 90 days past due or there is evidence indicating the asset is credit impaired.	Lifetime ECL – credit impaired
Write off	There is evidence indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.	Amount is written off

i) Trade receivables and contract assets

For trade receivables and contract assets, the Group has applied the simplified approach to measure the loss allowance at lifetime expected credit losses. In determining the ECL of individual trade receivables and contract assets, management has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate, in estimating the probability of default of each of these financial assets occurring, as well as the loss upon default in each case. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

ii) Other receivables

Other receivables (other than those identified below) are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-months ECL.

**NOTES TO THE FINANCIAL STATEMENTS**

(CONT'D)

32.2 Financial risk management objectives and policies (continued)**Credit risk management (continued)**

ii) Other receivables (continued)

The following other receivables are not considered to have low credit risk as there has been significant increase in the risk of default on the receivables since initial recognition.

	Group	
	2024	2023
	RM	RM
Amount due from a sub-contractor	3,124,011	3,124,011
Other receivables and deposits	364,477	254,277
Advance payments for construction costs	7,000,000	7,000,000
Refundable security deposits from construction contracts	1,000,000	2,000,000
	1,000,000	2,000,000

The loss allowance of the above receivables is measured at an amount equal to the lifetime ECL as there has been a significant increase in credit risk since initial recognition. In determining the ECL, management has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate, in estimating the probability of default of each of these financial assets occurring, as well as the loss upon default in each case. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

iii) Cash and bank balances

The cash and bank balances are held with reputable financial institutions with high credit ratings and no history of default. Impairment on cash and bank balances has been measured on a 12-month ECL and reflects the short term maturities of the exposures. The Group considers that its cash and bank balances have low credit risk based on the external credit ratings of the financial institutions. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

Liquidity risk management

The Group maintains sufficient cash and bank balances, and internally generated cash flows to finance its activities. The Group finances its operation by a combination of equity and bank borrowings.

The following tables detail the remaining contractual maturity for non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

32.2 Financial risk management objectives and policies (continued)

Liquidity risk management (continued)

Group	Carrying amount RM	Contractual cash flows (including interest payments)			
		Total RM	On demand or within 1 year RM	Within 1 to 2 years RM	Within 2 to 5 years RM
2024					
Non interest bearing debts	39,900,007	39,900,007	36,938,644	939,379	2,021,984
Interest bearing debts	2,697,235	2,851,206	1,593,079	919,543	338,584
	<u>42,597,242</u>	<u>42,751,213</u>	<u>38,531,723</u>	<u>1,858,922</u>	<u>2,360,568</u>
2023					
Non interest bearing debts	34,001,089	34,001,089	31,176,973	771,803	2,052,313
Interest bearing debts	3,646,213	3,839,566	1,816,042	1,276,244	747,280
	<u>37,647,302</u>	<u>37,840,655</u>	<u>32,993,015</u>	<u>2,048,047</u>	<u>2,799,593</u>

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

32.2 Financial risk management objectives and policies (continued)**Liquidity risk management** (continued)

Company	Contractual cash flows (including interest payments)		
	Carrying amount	Total	On demand or within 1 year
2024	RM	RM	RM
Non interest bearing debts	2,249,061	2,249,061	2,249,061
2023			
Non interest bearing debts	1,984,500	1,984,500	1,984,500

Interest rate risk management

The Group's primary interest rate risk relates to interest bearing debts. The Group manages its interest rate exposure by maintaining a prudent mix of fixed and floating rate borrowings. The Group actively reviews its debt portfolio, taking into account the investment holding period and nature of its assets. The information on maturity dates and effective interest rates of financial liabilities are disclosed in their respective notes.

The sensitivity analysis below have been determined based on the exposure to interest rates for the banking facilities at the reporting date. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

A change of 50 basis points in interest rate with all other variables being held constant would have decrease or increase the Group's profitability by RM3,700 (2023: RM 4,300).

33. Fair value measurements**33.1 Financial instruments not carried at fair value and whose carrying amounts are reasonable approximation of fair value**

The carrying amounts of cash and cash equivalents, receivables and payables (current portion), and other liabilities approximate their respective fair values due to the respectively short-term maturity of these financial instruments.

The fair value of the lease liabilities approximate its carrying amount, as these instruments were entered with interest rates which are reasonable approximation of the market interest rates on or near reporting date. The non current portion of trade payables and trade receivables are carried at transaction price as they do not contain any significant financing component.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

33.2 Assets carried at fair value

Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table provides an analysis of each class of assets measured at fair value at the end of the reporting period:

Group and Company				
Fair value measurement at the end of the reporting period				
using				
	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM
2024				
Recurring fair value measurement				
Financial assets				
Other investments				
- Unquoted equity instruments, at fair value	-	-	3,719,000	3,719,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
2023	RM	RM	RM	RM
Recurring fair value measurement				
Financial assets				
Other investments				
- Unquoted equity instruments, at fair value	-	-	5,242,000	5,242,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

34. Capital structure and capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while providing an adequate return to stakeholders through the optimisation of the debt and equity balance.

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to the shareholder, return capital to shareholder, issue new shares or sell assets to reduce debt.

The Group monitors capital using debt-to-equity ratio, where the ratio is arrived at net debt (total borrowings excluding other lease liabilities less cash and bank balances) divided by total equity. The Group's strategy is to maintain the debt-to-equity ratio at a healthy level. The debt and equity ratio is as follows:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Total debts	1,489,433	3,646,213	-	-
Less: Cash and bank balances (including fixed deposits)	(2,011,088)	(2,009,327)	(305,017)	(241,049)
Net (cash)/debts	<u>(521,655)</u>	<u>1,636,886</u>	<u>(305,017)</u>	<u>(241,049)</u>
Total equity	<u>42,977,181</u>	<u>51,198,999</u>	<u>37,781,985</u>	<u>51,982,172</u>
Gearing ratio	<u>N/A</u>	<u>0.03</u>	<u>N/A</u>	<u>N/A</u>

35. Material litigations

On 29 December 2021, subsidiaries of the Company, Buildmarque Construction Sdn Bhd ("BMSB") and Infraharta Sdn Bhd ("ISB") entered into a deed of rescission and termination to mutually agree to terminate the contract with Consortium Zenith Construction Sdn Bhd ("CZC") for the construction of a Penang highway project which was contracted at a sum of RM815 million. As at the reporting date, the carrying amount of assets recoverable under this project is as follows:

	Group	
	RM	RM
	2024	2023
Included under:		
Trade receivables	7,443,653	7,443,653
Other receivables	7,229,011	7,229,011
Contract assets	6,487,139	6,487,139
	<u>21,159,803</u>	<u>21,159,803</u>
Less: Allowance for lifetime expected credit losses	(7,796,734)	(1,173,508)
Total	<u>13,363,069</u>	<u>19,986,295</u>

Under the terms of the deed of rescission and termination, the payments for the progress claims on the cumulative work done performed up to date of deed shall be by way of three (3) equal half yearly installments within six months from such progress claims being verified. As at the reporting date, the negotiation to finalise the progress claims with CZC were halted due to the legal dispute highlighted below.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

35. Material litigations (continued)

In the previous reporting period, an independent construction claim consultant was engaged by the Group to perform an assessment on the fair amount of cumulative work done for the terminated contract. This consultant possesses qualifications in Law, Quantity Surveying and Construction Project Management, and the relative experience as adjudicator and arbitrator for construction contract disputes. The assessment had given rise to a revenue reversal for the previous reporting period of RM8,722,000 from the cumulative revenue recognised previously.

On 22 May 2023, BMSB served a winding up Statutory Notice of Demand pursuant to Sections 465 and 466 of the Companies Act 2016 to CZC demanding for the payment of RM7,374,420 ("Demanded Sum") being the unpaid sum inclusive of interest calculated as at the date of the Notice due and owing by CZC to BMSB. In the event the Demanded Sum is not settled within the stipulated statutory time frame of 21 days after the service of the Notice, CZC shall be deemed to be unable to pay the Demanded Sum and a Winding-Up petition may be presented against CZC.

In response, CZC had on 7 June 2023 filed an injunction order to restrain BMSB from presenting a winding-up petition against CZC. On 12 June 2023, the High Court granted an Injunction order to restrain BMSB from presenting a winding-up petition against CZC.

Separately, on 17 August 2023, CZC served BMSB and ISB with a sealed writ of summons and statement of claim and sought BMSB to repay a sum of RM1,032,740 previously paid by CZC to BMSB pursuant to Part A of the deed of termination as it was caused by misrepresentation. BMSB and ISB had filed their defence and counter claim to seek CZC to pay them their entitlement of cumulative work done. The High Court has scheduled a case management on 14 August 2024 and instructed for any interlocutory applicants to be filed before the case management. The Group has been advised by its solicitors that the Group has a good chance in defending the suit and succeeding in its counter claim.

Based on the Group's internal credit risk grading, the amount recoverable from CZC (included under trade receivables, other receivables and contract assets) has been categorised as in default and the expected credit losses allowance is measured at an amount equal to lifetime ECL. In estimating the amount of loss upon default to be recognised, management has taken into consideration the existing financial position of CZC as well as the credit standing of its client for the Penang highway project, being the State Government of Penang.

36. Contingent liability

In one of the construction contracts undertaken by Infraharta Sdn Bhd ("ISB"), there were two applications for Extension of Time ("EOT") and only a partial EOT was granted extending the completion date from 23 December 2023 to 6 April 2024.

ISB made the applications for EOT mainly due to various changes in design as instructed by the client and the delay by other contractors handling the other packages of the project leading to ISB unable to commence works in accordance with the original schedule and affected the rate of progress of ISB.

ISB had requested for detailed grounds for the rejection of the full EOT applied but was only provided with the brief breakdown without any detailed grounds.

ISB submitted an appeal on 19 March 2024 challenging the partial rejection of the extension made by ISB to extend the completion of the project to November 2024. In the event of delay in completion of work, ISB is contingently liable to the Liquidated and Ascertained Damages of which amounted to RM30,000 per calendar day.

In the opinion of the directors, after taking appropriate professional advice, ISB has valid grounds and justification to be entitled the EOT. Therefore the EOT Appeal should be allowed and any delay on the project, if any, cannot be attributed to ISB.



NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

37. Event subsequent to the reporting date

Subsequent to the reporting date, the Company issued 12,605,000 shares through private placement at an issue price of RM0.16 per share for cash. The shares were issued for construction and property development project and working capital purposes.

ANALYSIS OF SHAREHOLDINGS

AS AT 30 JUNE 2024

SHARE CAPITAL

Number of Issued Shares	:	418,602,719
Paid-Up Share Capital	:	RM150,175,512.88
Class of Shares	:	Ordinary shares
Voting Rights	:	One (1) vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
Less than 100	140	5.59	4,034	*0.00
100 - 1,000	695	27.73	227,354	0.05
1,001 - 10,000	690	27.53	4,167,531	1.00
10,001 - 100,000	726	28.97	27,311,086	6.52
100,001 - less than 5% of issued shares	255	10.18	386,892,714	92.43
5% and above of issued shares	0	0	0	0
Total	2,506	100.00	418,602,719	100.00

*negligible

SUBSTANTIAL SHAREHOLDER

There is no substantial shareholder as at 30 June 2024.

DIRECTORS' INTERESTS IN SHARES IN THE COMPANY AND ITS RELATED COMPANIES

The Company

No.	Directors	Direct		Indirect	
		No. of shares	%	No. of shares	%
1	Wong Kwai Wah	5,392,600	1.29	-	-
2	Law Ngia Meng	2,181,300	0.52	-	-



ANALYSIS OF SHAREHOLDINGS

(CONT'D)

THIRTY (30) LARGEST REGISTERED SHAREHOLDERS

No.	Registered Shareholders	No. of shares	%
1	Changing Horizons Sdn. Bhd.	18,876,000	4.51
2	TA Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Yong Pei Cheen	17,287,000	4.13
3	RHB Capital Nominees (Tempatan) Sdn. Bhd. Tan Chin Hoong	15,298,500	3.65
4	Kenanga Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Perfect Link Ventures Sdn. Bhd.	15,000,000	3.58
5	Wong Choon Wai	13,725,400	3.28
6	Thor Poh Keow	12,798,300	3.06
7	Loh Chee Siong (Lu Zhixiong)	12,605,000	3.01
8	Phang Chin Khiong	10,909,000	2.61
9	Propel Global Berhad	10,909,000	2.61
10	Lee Eng Huat	9,499,150	2.27
11	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Richard Ling Do Nyeen (7006780)	9,299,150	2.22
12	Distinct Seasons Sdn. Bhd.	9,100,000	2.17
13	TA Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Oriental Inchaway Sdn. Bhd.	9,033,300	2.16
14	TA Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Hillspring Venture Sdn. Bhd.	8,338,500	1.99
15	Runningmind Sdn.Bhd.	8,204,300	1.96
16	Oren Sport Sdn. Bhd.	8,000,000	1.91
17	Hsu, Ching-Fu	6,602,400	1.58
18	Public Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Ong Lee Ying (E-BPT)	6,225,900	1.49
19	Chiong Miaw Thuan	6,000,000	1.43
20	Kenanga Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Ibrahim Bin Sahari	5,572,288	1.33
21	Public Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Chan Aik Tat (E-SRB)	5,494,600	1.31
22	Siow Choon Tong	5,277,300	1.26
23	Cimsec Nominees (Tempatan) Sdn. Bhd. CIMB For Richard Ling Do Nyeen (PB)	4,887,600	1.17
24	Tong Chin Hen	4,816,900	1.15
25	TA Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Koh Wan Yi	4,100,000	0.98
26	Liew Kok Meng	3,971,166	0.95
27	Dato' Sri Leow Fong Kam	3,907,000	0.93
28	Koh Choon Seng	3,877,700	0.93
29	Amsec Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account - Ambank (M) Berhad For Lee Chee Hoe (SMART)	3,462,700	0.83
30	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Chou Sing Hoan	3,349,900	0.80
Total		256,428,054	61.26

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Seventeenth Annual General Meeting (“17th AGM”) of the Company will be conducted virtually through live streaming and online remote participation using Remote Participation and Voting (“RPV”) Facilities from the broadcast venue at Unit 9-1 & 9-2, Level 9, Wisma Miramas, 1, Jalan 2/109E, Taman Desa, 58100 Kuala Lumpur, Wilayah Persekutuan via online meeting platform at www.swsb.com.my provided by ShareWorks Sdn. Bhd. on Thursday, 29 August 2024 at 10.30 a.m. to transact the following businesses:-

AGENDA

Ordinary Businesses

1. To receive the Audited Financial Statements for the financial year ended 31 March 2024 together with the Reports of Directors and Auditors thereon. **(Explanatory Note 1)**
2. To re-elect the following Directors, who are retiring pursuant to Clause 96 of the Constitution and who being eligible offer themselves for re-election:
 - (i) Dato’ Sri Hj. Wan Adnan Bin Wan Mamat **(Resolution 1)**
 - (ii) Wong Kwai Wah **(Resolution 2)**
3. To approve the payment of Directors’ fees and benefits up to RM700,000.00 payable to the Directors from date of the forthcoming 17th AGM until the next Annual General Meeting (“AGM”) of the Company. **(Resolution 3)**
4. To re-appoint Russell Bedford LC PLT as the Auditors of the Company for the ensuring year and to authorise the Directors to fix their remuneration. **(Resolution 4)**

Special Business

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

5. **ORDINARY RESOLUTION
AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016** **(Resolution 5)**

“THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 and subject always to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the capital of the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company (“New Shares”) for the time being without first offering the New Shares to the holders of the existing issued shares and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company.”
6. To transact any other business for which due notice shall have been given.

By Order of the Board

CHIN LI THING (MAICSA 7044467)
(SSM PC NO. 201908000022)
Company Secretary

Kuala Lumpur
31 July 2024



NOTICE OF ANNUAL GENERAL MEETING

(CONT'D)

IMPORTANT NOTICE ON REMOTE PARTICIPATION AND VOTING:

1. The 17th AGM will be conducted virtually through live streaming and online remote participation using RPV Facilities from the broadcast venue at Unit 9-1 & 9-2, Level 9, Wisma Miramas, 1, Jalan 2/109E, Taman Desa, 58100 Kuala Lumpur, Wilayah Persekutuan via online meeting platform at www.swsb.com.my provided by ShareWorks Sdn. Bhd.. Please refer to Administrative Guide for the 17th AGM in order to register, participate and vote remotely via the RPV Facilities.
2. The venue of the 17th AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act, 2016 which requires the Chairman of the Meeting to be at the main venue. No Members/Proxy(ies) will be allowed to be physically present at the Broadcast Venue.
3. Shareholders/Proxy(ies) who wish to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "participate") may do so remotely via the RPV Facilities. Please follow the procedures provided in the Administrative Guide for the 17th AGM in order to register, participate and vote remotely.

PROXY NOTES

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 22 August 2024 (General Meeting Record of Depositors) shall be eligible to attend the Meeting.
2. A member of the Company shall be entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote at a meeting of members of the Company.
3. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint more than one (1) proxy but not more than two (2) proxies to attend and vote in his stead provided that the member specifies the proportion of his shareholding to be represented by each proxy.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under its seal or under the hand of an officer or attorney duly authorised.
5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempted authorised nominee may appoint in respect of each omnibus account it holds.
6. The instrument appointing a proxy or proxies must be deposited at the office of the Share Registrar of the Company situated at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan or via email at ir@shareworks.com.my not less than forty-eight (48) hours before the time fixed for convening the 17th AGM or any adjournment thereof. Please refer to the Administrative Guide for further information at www.swsb.com.my.
7. All resolutions at the 17th AGM or any adjournment thereof shall be voted by poll.

NOTICE OF ANNUAL GENERAL MEETING

(CONT'D)

EXPLANATORY NOTES**1. Audited Financial Statements**

This item of the Agenda is meant for discussion only as it does not require shareholders' approval pursuant to Section 340(1) of the Companies Act, 2016. Hence, this Agenda item is not put forward for voting.

2. Ordinary Resolutions 1 to 2 – Re-election of Directors

The Board of Directors have considered the eligibility and contribution of each of the retiring Directors, Dato' Sri Hj. Wan Adnan Bin Wan Mamat and Wong Kwai Wah ("the Retiring Directors"), who seeking for re-election.

Based on the evaluation conducted by the Nomination Committee on each of the Retiring Directors, it was found to be satisfactory. Therefore, the Board recommends to the shareholders to re-elect the Retiring Directors at the AGM or any adjournment thereof.

3. Ordinary Resolution 5 – Authority to Allot Shares Pursuant to Sections 75 and 76 of the Companies Act, 2016

The proposed Ordinary Resolution 5, if passed, will give authority to the Directors of the Company to issue and allot up to a maximum of 10% of the total number of the issued shares of the Company for the time being for such purposes as the Directors of the Company in their absolute discretion consider to be in the interest of the Company without having to convene a general meeting. This authority shall continue to be in force until the conclusion of the next Annual General Meeting ("AGM") or the expiration of the period within which the next AGM is required by law to be held, whichever is the earlier; but an approval may be revoked or varied at any time by a resolution of the Company in general meeting.

The rationale for this resolution is to provide flexibility to the Company to raise additional funds expeditiously and efficiently during this challenging time, to meet its funding requirements including but not limited to working capital, operational expenditures, investment project(s), and/or acquisition(s) as the Directors may deem fit.

The mandate obtained at the 16th AGM in 2023 for authority to allot shares of the Company up to 10% of the total number of issued shares of the Company was utilised and the Company implemented the Private Placement exercise where first tranche of 21,818,000 new ordinary shares and second tranche of 12,605,000 new ordinary shares ("Placement Share") of the Company were issued at an issue price of RM0.1100 and RM0.1555 respectively per Placement Share.

STATEMENT ACCOMPANYING NOTICE OF SEVENTEENTH ANNUAL GENERAL MEETING

Pursuant to paragraph 8.27(2) of Main Market Listing Requirements of Bursa Malaysia Securities Berhad, there is no individual seeking election as Director of the Company at this 17th AGM.



ADMINISTRATIVE GUIDE FOR SHAREHOLDERS

ATTENDING THE 17TH ANNUAL GENERAL MEETING (AGM) OF INFRAHARTA HOLDINGS BERHAD

Date	Time	Broadcast Venue
Thursday 29 August 2024	10.30 a.m	Virtually through live streaming and online remote participation using Remote Participation and Voting (“RPV”) Facilities from the broadcast venue at Unit 9-1 & 9-2, Level 9, Wisma Miramas, 1, Jalan 2/109E, Taman Desa, 58100 Kuala Lumpur, Wilayah Persekutuan via online meeting platform at www.swsb.com.my provided by ShareWorks Sdn. Bhd.

VIRTUAL MEETING

The AGM will be held on a virtual basis through live streaming and online remote voting by using Remote Participation and Voting (**RPV**) Facilities via online meeting platform at www.swsb.com.my provided by ShareWorks Sdn. Bhd..

The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act, 2016 which requires the Chairman of the Meeting to be at the main venue. No Members/Proxy(ies) will be allowed to be physically present at the Broadcast Venue.

Please note that it is your responsibility to ensure the stability of your internet connectivity throughout the Meeting as the quality of the live webcast and online remote voting are dependent on your internet bandwidth and stability of your internet connection.

All Shareholders of the Company, whether Individual Shareholders, Corporate Shareholders, Proxy Holders, Authorised Nominees or Exempt Authorised Nominees who wish to attend the AGM will have to register to attend remotely by using the RPV Facility, the details of which is set out below.

RPV FACILITY

1. The AGM will be conducted on a virtual basis through live streaming and online remote voting. Should you wish to attend the AGM, you are required to register yourself using the RPV Facility in accordance with the instructions as set out under paragraph 3 below.

With the RPV Facility, you may exercise your rights as a Shareholder to participate including to pose questions (in the form of real-time submission of typed texts) to the Board of Directors the Company (Board) and vote remotely at the AGM.

2. **Individual Members** are strongly encouraged to take advantage of the RPV Facility to participate and vote remotely at the AGM. Please refer to the details as set out under RPV Facility for information. If an Individual Shareholder is unable to participate in the online AGM, he/she is encouraged to appoint the Chairperson of the meeting as his/her proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

Corporate Shareholders (through Corporate Representatives or appointed proxies) are also strongly advised to participate and vote remotely at the AGM using the RPV Platform. Corporate Members who wish to participate and vote remotely at the AGM must contact the poll administrator, ShareWorks Sdn. Bhd. (**ShareWorks**) with the details set out below for assistance and will be required to provide the following documents to the Company no later than **27 August 2024 at 10.30 a.m.:**

- a. Certificate of appointment of its Corporate Representative or Form of Proxy under the seal of the corporation;
- b. Copy of the Corporate Representative’s or proxy’s identity card (MyKad) (front and back) / Passport; and
- c. Corporate Representative’s or proxy’s email address and mobile phone number.

ADMINISTRATIVE GUIDE FOR SHAREHOLDERS

(CONT'D)

RPV FACILITY (CONT'D)

2. (Cont'd)

If a Corporate Member (through Corporate Representative(s) or appointed proxy(ies)) is unable to attend the AGM, the Corporate Member is encouraged to appoint the Chairperson of the meeting as its proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

In respect of **Nominee Company Members**, the beneficiaries of the shares under a Nominee Company's CDS account are also strongly advised to participate and vote remotely at the AGM using RPV Facility. Nominee Company Members who wish to participate and vote remotely at the AGM can request its Nominee Company to appoint him/her as a proxy to participate and vote remotely at the AGM. Nominee Company must contact the poll administrator, ShareWorks with the details set out below for assistance and will be required to provide the following documents to the Company no later than **27 August 2024 at 10.30 a.m.**:

- a. Form of Proxy under the seal of the Nominee Company;
- b. Copy of the proxy's identity card (MyKad) (front and back) / Passport; and
- c. Proxy's email address and mobile phone number.

If a Nominee Company Member is unable to attend the AGM, he/she is encouraged to request its Nominee Company to appoint the Chairperson of the meeting as its proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

3. The procedures for the RPV in respect of the live streaming and remote voting at the AGM is as follows:

Procedures	Action
Before the AGM	
(i) Register as a user	<ul style="list-style-type: none"> If you have already registered an account at the website, you are not required to register again. Access website www.swsb.com.my Click "Login" and click "Register" to sign up as a user. The registration will be open from 10.30 a.m. on 1 August 2024 and close at 10.30 a.m. on 28 August 2024. Complete the registration process and upload softcopy of MyKAD (front and back) or Passport for foreign shareholders. Read and agree to the terms & condition and thereafter submit your request. Upon submission, kindly login to the valid email address and verify your user ID within one (1) hour. Upon verification of the user ID, ShareWorks will send an email notification to approve you as a user. After verification of your registration against the General Meeting Record of Depositors of the Company as at 22 August 2024, the system will send you an email to notify you if your registration is approved or rejected after 23 August 2024. If your registration is rejected, you can contact ShareWorks or the Company for clarifications or to appeal.



ADMINISTRATIVE GUIDE FOR SHAREHOLDERS

(CONT'D)

RPV FACILITY (CONT'D)

3. (Cont'd)

Procedures		Action
On the day of AGM		
(ii)	Login to www.swsb.com.my	<ul style="list-style-type: none"> Login with your user ID and password for remote participation at the AGM at any time from 10.00 a.m. i.e. 30 minutes before the commencement of the AGM on 29 August 2024 at 10.30 a.m.
(iii)	Participate through Live Streaming	<ul style="list-style-type: none"> Select the “Virtual Meeting” from main menu. Click the “Join Meeting” located next to the event. You are required to provide your full name as per CDS account and your user registered email address. Kindly click the video link and insert the password given to you in your email notification in order to join the live video streaming. If you have any question for the Chairperson/ Board, you may use the Q&A platform to transmit your question. The Chairperson/Board will try to respond to all questions submitted by remote participants during the AGM. If time is a constraint, the responses will be emailed to you at the earliest possible time after the meeting ended. Take note that the quality of the live streaming is dependent on the bandwidth and stability of the internet connection at the location of the remote participants.
(iv)	Online remote voting	<ul style="list-style-type: none"> Select “Voting” located next to the “Join Meeting” and indicate your votes for the resolutions that are tabled for voting. Voting session will commence once the Chairperson of the Meeting declare that the voting platform is activated and will announce the completion of the voting session of the AGM. Cast your vote on all resolutions as appeared on the screen and submit your votes. Once submitted, your votes will be final and cannot be changed.
(v)	End of RPV Facility	<ul style="list-style-type: none"> The RPV Facility will end and the Messaging window will be disabled the moment the Chairperson of the Meeting announces the closure of the AGM.

PROXY

If a member is unable to attend the AGM, he/she may appoint a proxy or the Chairperson of the meeting as his/her proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

Please note that if an individual member has submitted his/her Form of Proxy prior to the AGM and subsequently decides to personally participate in the AGM via RPV Facility, the individual member shall proceed to contact ShareWorks or the Company with the details set out below to revoke the appointment of his/her proxy no later than **27 August 2024 at 10.30 a.m.**

ADMINISTRATIVE GUIDE FOR SHAREHOLDERS

(CONT'D)

POLL VOTING

The voting at the AGM will be conducted by poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed ShareWorks as Poll Administrator to conduct the poll by way of electronic means and SharePolls Sdn. Bhd. as Scrutineers to verify the poll results.

The Scrutineers will verify and announce the poll results followed by the Chairperson's declaration whether the resolution is duly passed.

NO RECORDING OR PHOTOGRAPHY

Strictly **NO recording or photography** of the proceedings of the AGM is allowed.

NO DOOR GIFTS OR E-VOUCHERS

There will be **NO DISTRIBUTION** of door gifts or e-vouchers.

DIGITAL COPIES OF AGM DOCUMENTS

We further inform that the following items are now available at www.infraharta.com & Bursa Malaysia Berhad's website at <https://www.bursamalaysia.com>

1. Annual Report 2024 and Corporate Governance Report 2024
2. Notice of the 17th AGM, Proxy Form and Administrative Guide
3. Printed Copy Request Form

PRINTED COPIES OF THE 2024 ANNUAL REPORT

If you wish to request for a printed copy of the 2024 Annual Report, please forward your request by completing the Request Form mentioned above and email to contact@infraharta.com. Barring any unforeseen circumstances, we will send a copy of printed 2024 Annual Report to you as soon as reasonably practicable from the date of receipt of your request. However, please consider the environment before requesting for the printed copy of the Annual Report.

ENQUIRY

If you have any enquiry prior to the virtual meeting, please contact Mr. Chan Wai Kien and Mr. Kou Si Qiang during office hours from 9.00 a.m. to 5.00 p.m. on Mondays to Fridays:

ShareWorks Sdn. Bhd.

No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Wilayah Persekutuan (KL)

Telephone Number : 03-6201 1120
Email : ir@shareworks.com.my

PRE-MEETING SUBMISSION OF QUESTION TO THE BOARD

To administrate the proceedings of the AGM in orderly manner, shareholders may before the AGM, submit questions to the Board to contact@infraharta.com no later than **Wednesday, 28 August 2024 at 10.30 a.m.**. The Board will endeavour to address the questions received at the AGM.

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INFRAHARTA HOLDINGS BERHAD
(200701007217 / 765218-V)

FORM OF PROXY

CDS Account Number

I/We (Full Name in Block Letters)

NRIC No. / Passport No. / Company No

of

being a member of **INFRAHARTA HOLDINGS BERHAD** hereby appoint:

Full Name (IN BLOCK LETTERS):	NRIC / Passport No.:
<input type="text"/>	<input type="text"/>
Full Address:	Contact No.:
<input type="text"/>	<input type="text"/>
	Email address:
	<input type="text"/>

and/or failing *him/her

Full Name (IN BLOCK LETTERS):	NRIC / Passport No.:
<input type="text"/>	<input type="text"/>
Full Address:	Contact No.:
<input type="text"/>	<input type="text"/>
	Email address:
	<input type="text"/>

or failing *him/her, the CHAIRMAN OF THE MEETING as my/our proxy to attend and vote for me/us and on my/our behalf at the Seventeenth Annual General Meeting of the Company will be conducted virtually through live streaming and online remote participation using Remote Participation and Voting (“RPV”) Facilities from the broadcast venue at Unit 9-1 & 9-2, Level 9, Wisma Miramas, 1, Jalan 2/109E, Taman Desa, 58100 Kuala Lumpur, Wilayah Persekutuan via online meeting platform at www.swsb.com.my provided by ShareWorks Sdn. Bhd. on Thursday, 29 August 2024 at 10.30 a.m. or at any adjournment thereof, in the manner indicated below:

RESOLUTIONS		FOR	AGAINST
Resolution 1	To re-elect as Director, Dato’ Sri Hj. Wan Adnan Bin Wan Mamat		
Resolution 2	To re-elect as Director, Wong Kwai Wah		
Resolution 3	To approve the payment of Directors’ fees and benefits		
Resolution 4	To re-appoint Auditors		
Resolution 5	Authority to allot shares pursuant to Sections 75 and 76 of the Companies Act, 2016		

Please indicate with “X” in the appropriate space how you wish your proxy to vote. If you do not indicate how you wish your proxy to vote on any resolution, the proxy shall vote as he thinks fit or, at his discretion, abstain from voting.

Dated this day of 2024

.....
*Signature Member(s) / Common Seal of Shareholder
*Delete whichever not applicable

Number of shares held		
For appointment of two proxies, the shareholdings to be represented by the proxies:		
Proxies	No. of shares	Percentage
Proxy 1		
Proxy 2		
Total		100%



Proxy Notes:

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 22 August 2024 (General Meeting Record of Depositors) shall be eligible to attend the Meeting.
2. A member of the Company shall be entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote at a meeting of members of the Company.
3. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint more than one (1) proxy but not more than two (2) proxies to attend and vote in his stead provided that the member specifies the proportion of his shareholding to be represented by each proxy.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under its seal or under the hand of an officer or attorney duly authorised.
5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempted authorised nominee may appoint in respect of each omnibus account it holds.
6. The instrument appointing a proxy or proxies must be deposited at the office of the Share Registrar of the Company situated at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan or via email at ir@shareworks.com.my not less than forty-eight (48) hours before the time fixed for convening the 17th AGM or any adjournment thereof. Please refer to the Administrative Guide for further information at www.swsb.com.my.
7. All resolutions at the 17th AGM or any adjournment thereof shall be voted by poll.

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AFFIX
STAMP

The Share Registrar
INFRAHARTA HOLDINGS BERHAD (200701007217/765218-V)
c/o ShareWorks Sdn Bhd (199101019611 / 229948-U)
No. 2-1, Jalan Sri Hartamas 8,
Sri Hartamas,
50480 Kuala Lumpur,
Wilayah Persekutuan, Malaysia

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Fold This Flap For Sealing



Unit 9-1 & 9-2, Level 9, Wisma Miramas, 1, Jalan 2/109E, Taman Desa
58100 Kuala Lumpur, Malaysia.

Tel : +603 7972 1331

www.infraharta.com