



AVILLION

BERHAD

199201013018 (244521-A)



ANNUAL REPORT 2024



AVILLION
BERHAD



VISION

We aim to excel in serving mother nature and community, offering properties that enrich lives, promote wellness and create lasting memories for generations to come.



MISSION

1. Design, develop and manage tranquil, eco-conscious resorts, hotels and properties that inspire creativity and beauty.
2. Cherish and safeguard our natural resources - sea, land and trees - as they are our guardians in return.
3. Continuously evolve and elevate our skills to exceed the expectations of our customers, offering experiences that surpass their wildest dreams.
4. Leverage data and technology to optimise our services and delivery.
5. Nurture our team, recognizing that their well-being is paramount to our success.
6. Pay attention to the smallest details, knowing that they yield significant rewards in the end.

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CORPORATE INFORMATION

**Tan Sri Dato' Sri
Dr. Samsudin Bin Hitam**
(Chairman)

Fong Wai Leong
(Chief Executive Officer)

**Rungit Singh A/L Jaswant
Singh**
(Independent Non-Executive
Director)

Stephen Geh Sim Whye
(Independent Non-Executive
Director)

Taufiq Bin Abdul Khalid
(Independent Non-Executive
Director)

BOARD OF DIRECTORS

Datin Norizan Binti Idris
(Independent Non-Executive
Director)

Members Of Audit Committee

Stephen Geh Sim Whye
(Chairman)
Rungit Singh A/L Jaswant Singh
Datin Norizan Binti Idris

Company Secretary

Chang Ngee Chuang
MAICSA No. 7077854
(SSM PC No. 201908001421)
Jeremy Tai Yung Wei
MAICSA No. 7065447
(SSM PC No. 202308000580)

Share Registrars

Shareworks Sdn Bhd
199101019611 (229948-U)
2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Tel: 03-6201 1120
Fax: 03-6201 3121
Email: ir@shareworks.com.my

Members Of Nomination Committee

Rungit Singh A/L Jaswant Singh
(Chairman)
Stephen Geh Sim Whye
Datin Norizan Binti Idris

Registered Office

Unit 8E, Level 8, Wisma YPR
No. 1, Lorong Kapar,
Off Jalan Syed Putra
58000 Kuala Lumpur
Wilayah Persekutuan
Tel: 03-2262 0100
Fax: 03-2262 0293
Email: info@avillionberhad.com

Principal Bankers

RHB Bank Berhad
Malayan Banking Berhad
CIMB Bank Berhad
Bangkok Bank Berhad

Members Of Remuneration Committee

Taufiq Bin Abdul Khalid
(Chairman)
Rungit Singh A/L Jaswant Singh
Stephen Geh Sim Whye

Principal Auditors

**Messrs Baker Tilly Monteiro
Heng PLT**
201906000600 (LLP0019411-LCA)
& AF 0117
Chartered Accountants (Malaysia)
Baker Tilly Tower, Level 10,
Tower 1, Avenue 5
Bangsar South City,
59200 Kuala Lumpur
Tel: 03-2297 1000
Fax: 03-2282 9980

Stock Exchange Listing

Main Market
Bursa Malaysia Securities Berhad
Stock Name: AVI
Stock Code: 8885

AVILLION PORT DICKSON AWARD

2019

International Hotel Awards 2019

Highly Commended Luxury Hotel Malaysia

2018

World Luxury Hotel Awards 2018

Luxury Family Beach Resort

HAPA Malaysia Awards Series 2018 - 2020

Family & Recreational Resort (Benchmark Achiever)



2017

World Luxury Hotel Awards 2017

Winner - Luxury Beach Resort, Malaysia Category

Winner - Luxury Spa Hotel, Malaysia Category

International Hotel Awards 2017-2018

Best Large Hotel

Best Resort Hotel

Best Spa Hotel

Best Wedding Venue

World Luxury Restaurant Awards 2017

Regional Winner - Luxury Family Restaurant



2016

World Luxury Hotel Award 2016

Winner - Luxury Spa Hotel, Malaysia Category

2015

19th Malaysia Tourism Award 2014/2015

Finalist - Best Spa Category

2012

World Luxury Hotel Awards 2012

Country Luxury Boutique Hotel

Best of Malaysia Awards 2012

Best Family Stay, Excellence Awards

2011

World Luxury Hotel Awards 2011

Country Luxury Boutique Hotel

2010

World Luxury Hotel Awards 2010

Luxury Boutique Hotel

Hotel Club Awards 2010

Outstanding Beach Resort

2000

Pertubuhan Arkitek Malaysia (PAM) 2000

Hotel & Resort Buildings: Excellence Award in Architecture



AVILLION ADMIRAL COVE AWARD

2018

MAH Hotel Management Grand Prix Awards 2018

Second Runner-Up Prize

AVI SPA AWARD

2019

Haute Grandeur Global Excellence Awards 2019

Best Spa Design in Asia
Best Boutique Spa in Malaysia
Best Destination Spa in Malaysia

2018

Haute Grandeur Global Excellence Awards 2018

Best Resort Spa in Malaysia

HAPA Malaysia Awards Series 2018 – 2020

Most Outstanding - HAPA Spa of the Year

2017

Haute Grandeur Global Hotel Awards 2017

Best Resort Spa in Malaysia

2016

Luxury Lifestyle Awards 2016

Winner - Luxury Spa & Wellness Centre of Malaysia

World Luxury Spa Awards 2016

Finalist - Best Luxury Resort Spa

Hospitality Asia Platinum Awards Malaysia (HAPA), Malaysia Series 2016 – 2018

Winner - HAPA Indulging Spa of the Year Tempting
Experience

2015

World Luxury Spa Awards 2015

Winner - Best Luxury Resort Spa

Luxury Lifestyle Awards 2015

Winner - Luxury Spa & Wellness Centre of Malaysia

2014

World Luxury Spa Awards 2014

Winner - Best Luxury Resort Spa
Finalist - Best Luxury Destination Spa

2013

Hospitality Asia Platinum Awards Malaysia (HAPA), Malaysia Series 2013 – 2015

Winner - HAPA Indulging Spa of the Year Tempting
Experience

World Luxury Spa Awards 2013

Finalist - Best Luxury Resort Spa

2012

World Luxury Spa Awards 2012

Best Luxury Emerging Spa

Asia Pacific Property Awards 2012

Leisure Architecture for Malaysia

2010

Hospitality Asia Platinum Awards Malaysia (HAPA), Series 2010 – 2012

HAPA Best Experience

2009

Malaysia Spa & Wellness Awards (MSWA) 2009

Best New Spa
Best Traditional Treatment, Malay Strength

Harper's Bazaar Spa Awards 2009

Most Unique Spa Destination

The Malaysian Women's Weekly 2009

Best Spa with a View: Best In Beauty -
Quality, Results & Services

Asia Pacific Interior Design Awards (APIDA), 2009

Silver Award Recipient

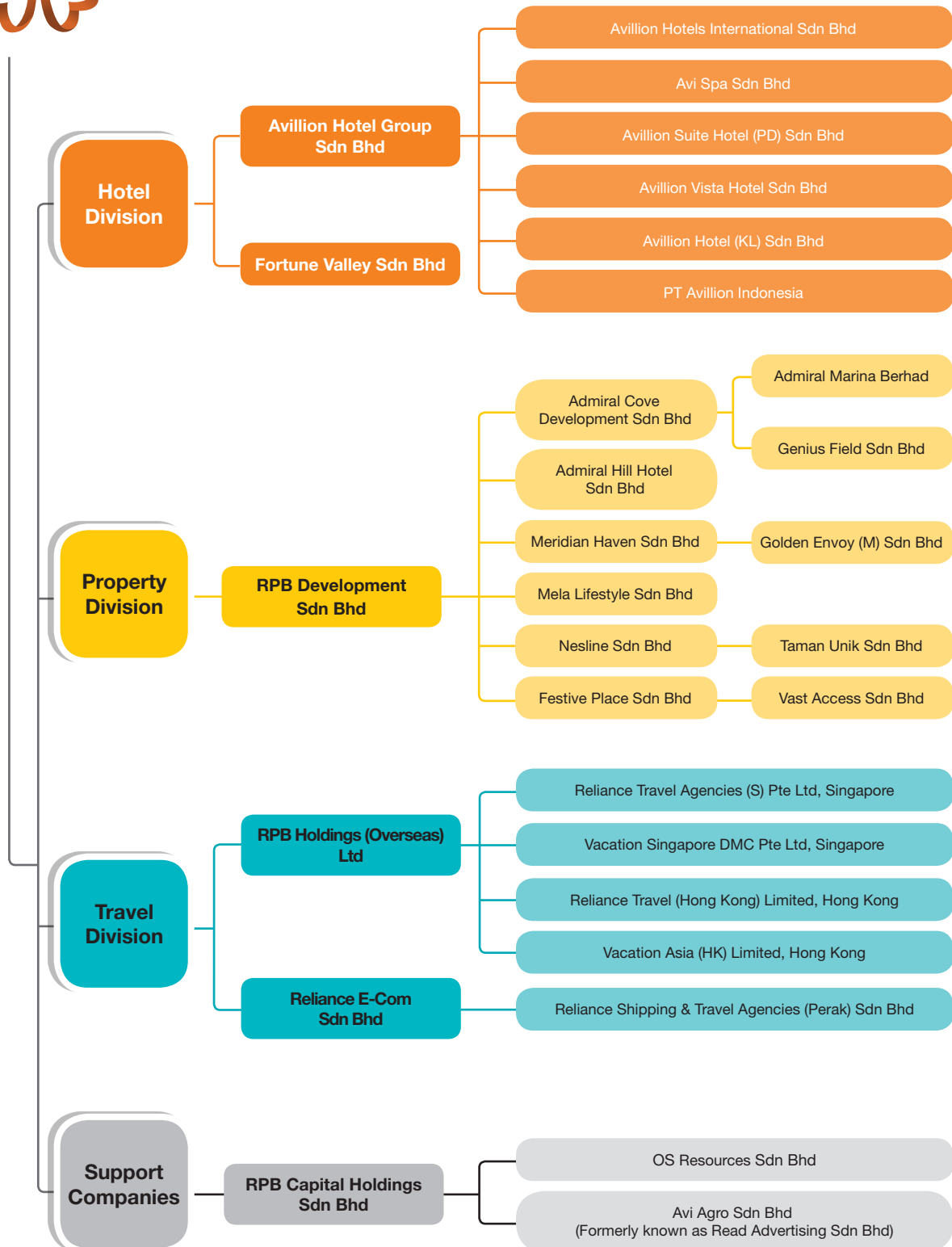


GROUP STRUCTURE

AS OF 31 MARCH 2024



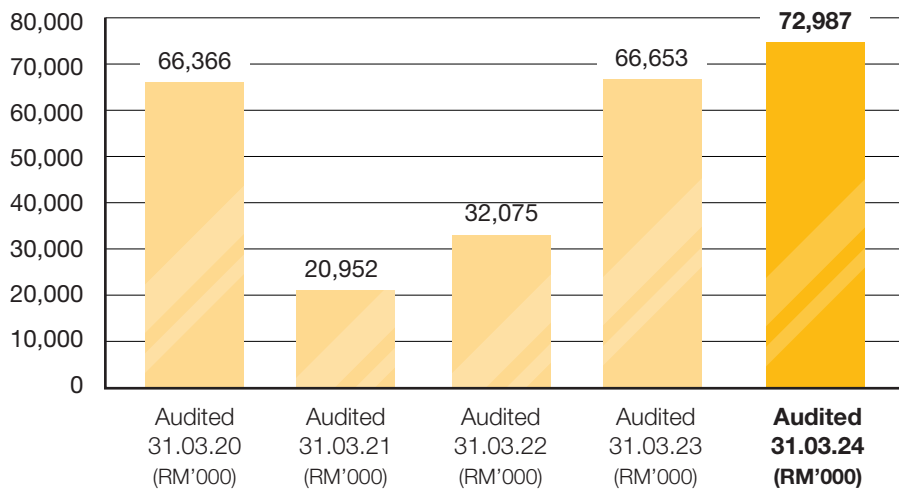
AVILLION BERHAD



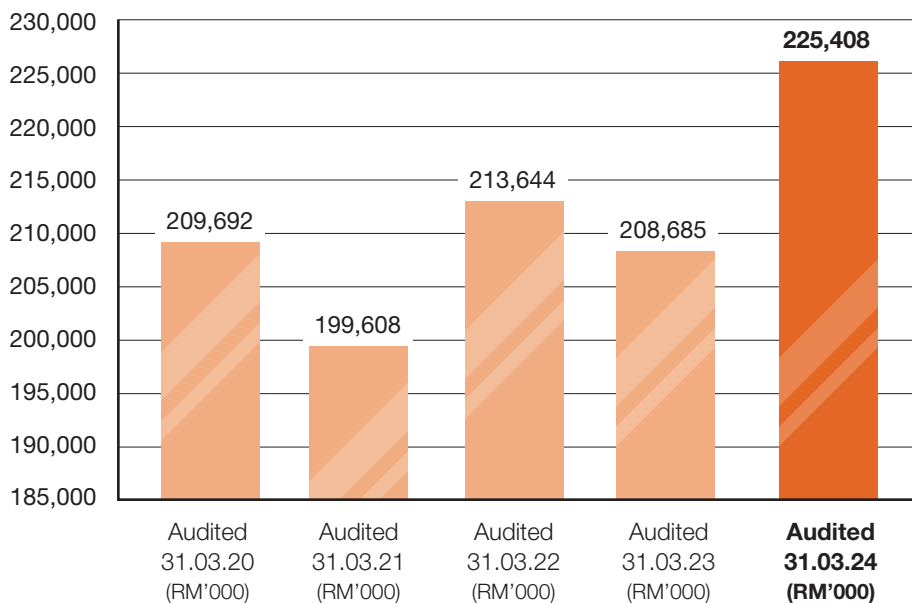
GROUP FIVE-YEAR FINANCIAL HIGHLIGHTS

	Audited 31.03.20 (RM'000)	Audited 31.03.21 (RM'000)	Audited 31.03.22 (RM'000)	Audited 31.03.23 (RM'000)	Audited 31.03.24 (RM'000)
Revenue	66,366	20,952	32,075	66,653	72,987
Net Assets	209,692	199,608	213,644	208,685	225,408

Revenue



Net Assets



CHAIRMAN'S STATEMENT

Dear Valued Shareholders,

- The world, including Malaysia, faced unprecedented challenges during the pandemic years of 2019 to 2022, particularly in the hospitality industry. With the end of the pandemic in 2023, the industry began to recover with the reopening of hotels and borders. People started traveling and going on holidays again and companies resumed hosting events. However, the road to full recovery remains long and difficult.

Despite facing these tremendous challenges, the Group not only survived but also managed to regroup and reposition for growth. We are pleased to report a 9.5% increase in revenue, rising to RM73.0 million for the year ended 31 March 2024, compared to RM66.7 million the previous year. Our pre-tax losses recorded slight increase from RM5.3 million to RM5.5 million mainly due to higher cost of operation.

Our rebuilding has just begun. We are taking stock of our assets, brand and people to develop a strategic plan aimed at stabilizing our current businesses and creating value through organic development or joint ventures with strong, strategic partners. ●●

MOVING FORWARD

Resilience has been key to our recovery. By focusing on our core hospitality business and strengthening partnerships, we have enhanced the value of our assets. Moving forward, the Group will continue to improve our hotel facilities, introduce innovative packages, control operating costs and enhance yield to stay competitive.

The Group owns strategic assets, including land, sea and hospitality infrastructure like marina and clubhouse. We have plans to monetize these assets through organic development and partnerships. Our aim is to drive business forward by leveraging on our assets and diverse range of products and services, built over the years, to ensure business viability.

We are committed to value creation, business sustainability and growth across all segments of the Group. We will rise above these rapidly evolving challenges and create sustainable value for all stakeholders in the coming years.

APPRECIATION

On behalf of the Board of Directors, I would like to extend my heartfelt gratitude to my fellow directors, the Management and staff for their dedication and commitment to the company. I would also like to extend our appreciation and thank you to our shareholders, business associates and customers for your continued and unwavering support and confidence in the Group.

Thank you.

Tan Sri Dato' Sri Dr. Samsudin Bin Hitam
Chairman, Independent Non-Executive Director

MANAGEMENT DISCUSSION & ANALYSIS

BUSINESS OVERVIEW

For the period under review, Avillion Berhad and its group of companies (the “Group”) continues to focus on its principal business activities, namely Hotel, Property and Travel.

Being heavily skewed in the services and hospitality industry, the Group continues to face a challenging operating environment as demand is very much dependent on the state of the economy and political stability.

REVIEW OF FINANCIAL PERFORMANCE

Revenue

For the financial year ended 31 March 2024 (FY2024), the Group recorded an increase of Group revenue of 9.5% to RM73.0 million. The growth was mainly attributed to the improved performance of the Travel Division as a result of the pent-up demand after the easing of travel restrictions. Property Division also contributed to the improved performance as a result of the completion and vacant possession of our project in Desa Impian, Bandar Tenggara, Johor.

The main revenue contributors are the Hotel Division contributing 52%, the Property Division contributing 21% and the Travel Division contributing 27%.

Profit/(Losses) before tax

The Group registered losses before tax of RM5.5 million compared to a loss of RM5.3 million in the previous year. The higher losses was mainly due to higher operational cost which has offset the increase in revenue.

SEGMENTAL PERFORMANCE

Hotel Division

Revenue and earnings are derived primarily from the hotel operation which include management of owned hotels and the management fees earned from hotels we manage.

Currently the Hotel Division manages a total of 6 hotel and resort properties as follows:

Malaysia

- 1) Avillion Port Dickson
- 2) Avillion Admiral Cove
- 3) Admiral Marina and Leisure Club
- 4) Avillion Cameron Highlands
- 5) AVi Pangkor

Indonesia

- 6) Avillion Villa Cinta Bali, Indonesia

The Hotel Division registered a revenue of RM37.9 million against RM38.9 million in the previous financial year. The reduction in revenue was mainly due to market sentiment.

The division registered losses before tax of RM0.3 million mainly due to lower revenue and higher operational cost.

Management Discussion & Analysis (Cont'd)

SEGMENTAL PERFORMANCE (CONT'D)

Property Division

Revenue and earnings are derived primarily from property development and Admiral Marina and Leisure Club operations.

The Property Division recorded a revenue growth of 10.7% during the financial year under review as compared to the previous year.

The division's losses before has narrowed to RM1.2 million from RM3.4 million. The improved performance was contributed by Admiral Marina and Leisure Club and our project in Desa Impian, Bandar Tenggara, Johor.

Admiral Marina & Leisure Club primarily derives its revenue from Marina operations, Restaurant, Meeting convention and corporate retreat/team building segments of the market.

Travel Division

Revenue and earnings are derived primarily from providing Inbound, Outbound and domestic travel services to our customers.

With the relaxation of Covid-19 related restriction and the reopening of international borders in Singapore and Hong Kong, the Travel Division's revenue grew by 458% in FY2023 and further increase by 42% in FY2024.

As a result of the higher revenue, the division's profit before tax has improved by 547% to a profit of RM1.38 million.

Shareholder Funds

The Group's shareholder funds as at 31 March 2024 stood at RM225.4 million, translating to net asset value per share of RM0.20.

PROSPECTS

The Group is still feeling the aftermath of the pandemic, impacting our properties and service levels. We are in the process of recovery by upgrading our properties, hiring new staff and training our team. Despite these efforts, the road to full recovery remains long and difficult.

Our immediate plan focuses on stabilizing current operations by increasing hotel yield, controlling and scheduling capital expenditure for upgrades and maintenance and optimizing operating costs.

In the medium and long term, we plan to monetize our non-revenue-generating assets through organic development and partnerships. Our aim is to drive business forward by leveraging our assets, acquired and built over the years, to ensure business viability for many years to come.

Barring any unforeseen circumstances, Avillion is optimistic that the worst is behind us and greener pastures are ahead.

Hotel Division

Avillion is confident of the positive outlook for the Hotel Division and continues to make determined efforts to uphold our brand experience provided to our customers. We are working hard to take the product, service and experiential offering to new levels.

We are continuing to revamp our existing properties to better serve our guests' and customers' needs. In Avillion Port Dickson, we have upgraded our ballroom facilities and function spaces and replaced the floorboard and handrails. The plans to spruce up our rooms and common area are ongoing with the objective of serving our guest better. We are confident that these upgrading works will help us to enhance our competitiveness, grow key market segments and attract incremental domestic and foreign visitations.

Meanwhile, we will continue to roll out various innovative and attractive packages groupwide to further improve the occupancy and revenue of our hotels.

Management Discussion & Analysis (Cont'd)

PROSPECTS (CONT'D)

Property Division

The Property division is focusing on niche property developments. Our existing on-going development is Desa Impian, a 165 – acre mix development/township consisting of commercial, residential and education hubs in Bandar Tenggara, Johor.

Phase 1 of the development which comprises of residential and commercial properties was completed and handed over in 2015.

Phase 2A of the development comprises 4 blocks of residential and 4 blocks of commercial properties. The residential units and 1 block of commercial properties were completed and handed over in June 2023. Our Project Division is currently in the midst of planning the construction of the remaining 3 blocks of commercial properties.

Plans are also afoot in upgrading the Marina facilities at Admiral Marina & Leisure Club. This will attract mega yachts and more international events to be held at our Marina and Club. The Property Division is well positioned to benefit from this in the forthcoming financial year.

Travel Division

We have an established presence in Asia's leading tourist destinations of Singapore and Hong Kong. We are confident that the Travel division will continue to benefit from the pickup in momentum after the relaxation of Covid-19 related restrictions.

To ensure the division continues steady growth path, new destinations and new demands from our customers are being looked into for the coming year.

Risk

There are no material risks facing the Group other than normal business and operational risks as in any other company in the same industry. The Management will ensure all such risks are carefully managed and mitigated to prevent any unforeseen circumstances that may severely impact the performance of the Group.

Dividend

In respect of the financial year ended 31 March 2024, the Board is not recommending any declaration of dividend.

CONCLUDING REMARKS

The Management is committed to steer Avillion to the next level of growth. We will continue to take proactive measures to remain resilient and explore new opportunities and ideas to improve the Group performance.

The Management would like to reassure our shareholders that we will work closely under the guidance of the Board of Directors to ensure that all parties work diligently, selflessly and in unity to lead the Group to better days and months ahead.

Our utmost appreciation also goes to our business partners for their continued support.

We also wish to extend our appreciation to our Board of Directors who have been instrumental in providing guidance and valuable insights to the management.

PROFILE OF DIRECTORS

TAN SRI DATO' SRI DR. SAMSUDIN BIN HITAM

Independent Non-Executive Chairman

- **Age**
77
- **Gender**

- **Nationality**


Board Committee belongs:

Nil

Other directorship in public companies and listed corporations:

Nil

Family relationship with director/major shareholder:

Nil

Conflict of interest:

Nil

List of convictions for offences within the past 5 years if any:

Nil

Number of Board meetings attended:



Date of appointment:

6 March 2015

Qualification:

Tan Sri graduated with BA (Hons) from the University of Malaya and obtained a MSc in Agricultural Economics from the University of Wisconsin, USA. He later pursued his PhD in Land Resources with the University of Wisconsin, USA.

Working experience & Occupation:

Tan Sri has served in the Ministry of Finance (1970 - 1982) and the Economic Planning Unit (1986 – 2000). While with the Economic Planning Unit, he was promoted to Director General of EPU. In 2000, he was appointed as Secretary General of the Ministry of Finance. He retired from the Public Service in 2004.

During his tenure with the Government, Tan Sri was also a director of various corporations, including Petroliam Nasional Berhad, Khazanah Nasional Berhad, HICOM Holdings Berhad, Malaysia Airlines Berhad and Pos Malaysia & Services Holdings Berhad.

Tan Sri is currently the Chairman of Rosegate Insurance Brokers Sdn. Bhd.

Profile of Directors (Cont'd)

FONG WAI LEONG

Executive Director

- **Age**
55
- **Gender**
- **Nationality**



Board Committee belongs:

Nil

Other directorship in public companies and listed corporations:

PBS Berhad, Oceancash Pacific Berhad

Family relationship with director/major shareholder:

Nil

Conflict of interest:

Nil

List of convictions for offences within the past 5 years if any:

Nil

Number of Board meetings attended:



Date of appointment:

12 October 2023

Qualification:

Mr. Fong is a qualified Chartered Accountant with Malaysia Institute of Certified Public Accounts.

Working experience & Occupation:

He is responsible for setting strategy and driving the overall business of the Avillion group of companies. He has over 30 years of experience in the fields of corporate, finance and technology.

He was the Group CEO of PanPages Berhad, a public company listed on the main market of Bursa Malaysia. He started his career as a professional working for KPMG as an Auditor and for CIMB as an Investment Banker.

He sat on the Boards of Directors in PanPages Berhad and Cepatawawasan Group Berhad, listed companies in Malaysia; ASTI Holdings Limited, a listed company in Singapore; and various private companies in Malaysia, Singapore, Hong Kong, Thailand, Vietnam, Indonesia and Cambodia.

He currently also sits on the Board of Directors of PBS Berhad, Oceancash Pacific Berhad, Capital Engineering Network PCL and Experian Information Services (Malaysia) Sdn. Bhd..

Profile of Directors (Cont'd)

STEPHEN GEH SIM WHYE

Independent Non-Executive
Director

- **Age**
68
- **Gender**

- **Nationality**


Board Committee belongs:

- Chairman of Audit Committee
- Member of Nomination Committee
- Member of Remuneration Committee

Other directorship in public companies and listed corporations:

Nil

Family relationship with director/major shareholder:

Nil

Conflict of interest:

Nil

List of convictions for offences within the past 5 years if any:

Nil

Number of Board meetings attended:



Date of appointment:

12 December 2022

Qualification:

Mr. Stephen Geh qualified as a Certified Public Accountant in 1984 and was admitted as a member of the then Malaysian Association of Certified Public Accountants in 1985, which later changed its name to the Malaysian Institute of Certified Public Accountants.

In 1987, he was admitted into the Malaysian Institute of Accountants as a Public Accountant. He is also a member of the Malaysian Institute of Taxation.

Working experience & Occupation:

He is an Accountant by profession. He started his career in the inventory control department from 1976 to 1977 and as an articled clerk in a local firm in Kuala Lumpur in 1978 before he pursued his career in accountancy by sitting for the Malaysian Association of Certified Public Accountants examination.

From 1984 to 2005, he was attached to Com-Sec Sdn Bhd, a Management Consultant Company, as a General Manager, Tax Advisor and Company Secretary.

He served as an Independent Non-Executive Director of Alliance Financial Group Berhad (formerly known as Malaysian Plantations Berhad) from May 2004 to August 2016.


Since 2005, he has been acting as a Director of GSW Consultants Sdn. Bhd., a company set up by him.

Profile of Directors (Cont'd)

RUNGIT SINGH A/L JASWANT SINGH

Independent Non-Executive
Director

- **Age**
69
- **Gender**

- **Nationality**


Board Committee belongs:

- Chairman of Nomination Committee
- Member of Audit Committee
- Member of Remuneration Committee

Other directorship in public companies and listed corporations:

Nil

Family relationship with director/major shareholder:

Nil

Conflict of interest:

Nil

List of convictions for offences within the past 5 years if any:

Nil

Number of Board meetings attended:



Date of appointment:

22 August 2022

Qualification:

Mr. Rungit graduated with an LL.B. (Hons) degree from the University of Malaya, Kuala Lumpur. He was awarded the Paduka Mahkota Perak (P.M.P.) in 2007 by the Perak Government of Malaysia. In the same year, he was also bestowed the Johan Setia Mahkota (J.S.M.) by the Government of Malaysia.

Working experience & Occupation:

He was a Deputy Public Prosecutor in the Attorney - General's Chambers, Kuala Lumpur and Perak State Legal Advisor's office for three (3) years before a short stint as a Legal Officer in the Ministry of Defence.

In 1982, he was a Senior Magistrate in the Kuala Lumpur Magistrate's Courts. He was then promoted to the rank of Sessions Court Judge in 1987. He served as a Sessions Court Judge for sixteen (16) years in various courts in Malaysia.

In 2003, he was again posted to the Attorney General's Chambers as a Senior Federal Counsel in the Law Revision and Law Reform Division. On 1 October 2004, he was promoted as Chairman of The Tribunal for Customer Claims Malaysia.

On 16 February 2010, he was appointed as Chairman of the Customs Appeal Tribunal, Ministry of Finance and he retired from this post on 4 July 2015 upon attaining the mandatory retirement age.

Profile of Directors (Cont'd)

TAUFIQ BIN ABDUL KHALID

Independent Non-Executive
Director

- **Age**
53

- **Gender**



- **Nationality**



Board Committee belongs:
Chairman of Remuneration Committee

Other directorship in public companies and listed corporations:
Nil

Family relationship with director/major shareholder:
Nil

Conflict of interest:
Nil

List of convictions for offences within the past 5 years if any:
Nil

Number of Board meetings attended:



Date of appointment:
22 August 2022

Qualification:

Encik Taufiq obtained a 2nd Upper class degree in L.L.B. (Hons) from Leeds University, England, before proceeding to be called as a Barrister-at-Law at Lincoln's Inn in 1998.

In 1999, he was admitted as an Advocate and Solicitor of the High Court of Malaya, Kuala Lumpur.

Working experience & Occupation:

He was attached with the Securities Commission of Malaysia (Issues Division) from 1996 to 1997. He resigned and later chambered in Messrs. Shearn Delamore and was called to the Malaysian Bar in 1999.

He practiced as a partner in Messrs. Mior Farid & Taufiq Khalid for two years before venturing into the oil & gas ("O&G") and ICT industry as an advisor to a small O&G company. As an offshoot of this involvement, he proceeded to join a group of offshore construction specialists in Urus Offshore Sdn. Bhd., partnering with Petra Resources Sdn. Bhd..

Returning to practice in 2004 to a law firm based in Kuala Lumpur, Messrs. Ariffin Shahzad, he is the Partner for Corporate, Energy & Utilities, Labour and ICT. He is presently on extended Sabbatical leave for medical and study purposes.

Profile of Directors (Cont'd)

DATIN NORIZAN BINTI IDRIS

Independent Non-Executive
Director

- **Age**
46
- **Gender**
- **Nationality**



Board Committee belongs:

- Member of Audit Committee
- Member of Nomination Committee

Other directorship in public companies and listed corporations:

Nil

Family relationship with director/major shareholder:

Nil

Conflict of interest:

Nil

List of convictions for offences within the past 5 years if any:

Nil

Number of Board meetings attended:



Date of appointment:

04 April 2019

Qualification:

She graduated with a Degree in Bachelor of Corporate Administration from the Universiti Teknologi Mara (UiTM) in 2000.

Working experience & Occupation:

She has more than 17 years' working experience in various industries, such as Financial Institution, Property Development and National Oil and Gas. She possesses advanced skills in Business Planning & Performance Management, Corporate Planning and Strategic and New Ventures for Petronas Upstream Business. She has more than 12 years' working experience in assisting top management in setting up the strategic direction of a company.

PROFILE OF SENIOR MANAGEMENT

FONG WAI LEONG

Chief Executive Officer

Mr. Fong, a Malaysian aged 55, was appointed to the Board on 12 October 2023 and redesignated as Chief Executive Officer on 18 January 2024.

- **Age**
55

He is responsible for setting strategy and driving the overall business of the Avillion group of companies. He has over 30 years of experience in the fields of corporate, finance and technology.

- **Gender**



He was the Group CEO of PanPages Berhad, a public company listed on the main market of Bursa Malaysia. He started his career as a professional working for KPMG as an Auditor and for CIMB as an Investment Banker.

- **Nationality**



He sat on the Boards of Directors in PanPages Berhad and Cepatawawasan Group Berhad, listed companies in Malaysia; ASTI Holdings Limited, a listed company in Singapore; and various private companies in Malaysia, Singapore, Hong Kong, Thailand, Vietnam, Indonesia and Cambodia.

He currently also sits on the Board of Directors of PBS Berhad, Oceancash Pacific Berhad, Capital Engineering Network PCL and Experian Information Services (Malaysia) Sdn. Bhd..

He is a qualified Chartered Accountant with Malaysia Institute of Certified Public Accountants.

ANGELINE CHONG

Chief Financial Officer

Ms. Angeline, a Malaysian aged 61, joined the Avillion Group in 1997 and she currently holds the position of Chief Financial Officer of the Avillion Group, and is responsible for Avillion Group's financial and corporate matters.

- **Age**
61

She is a member of the Malaysian Institute of Accountants (MIA) and has more than 36 years of experience in financial management, corporate finance, audit, strategic planning and management. In the course of her professional career, Angeline possesses hands-on experience in the financial management of the hotel, property and tourism industry.

- **Gender**



- **Nationality**



Notes:

- None of the Senior Management have any family relationship with any director and/or major shareholder of the Company.
- None of the Senior Management have any conflict of interest with the Company.
- None of the Senior Management have been convicted for offences within the past 5 years (other than traffic offences, if any) and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 31 March 2024.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“Board”) of Avillion Berhad (“AB” or “the Company”) is committed to uphold the high standards of corporate governance throughout AB and its subsidiaries (“the Group”) with the ultimate objective of realising long-term shareholder value while taking into account the interests of other stakeholders. This Corporate Governance Overview Statement sets out the extent to which the Company has applied the practices encapsulated in the Principles of the Malaysian Code on Corporate Governance (“MCCG”) except where stated otherwise.

Details of the Group’s application of each of the practices set out in the MCCG are disclosed in the Corporate Governance Report, which is available on the Group’s website at <https://www.avillionberhad.com/our-company/corporate-governance/>

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

Practice 1.1 – Board duties and responsibilities

The Board is responsible and accountable for the Company’s shareholders and various stakeholders in order to achieve sustainability and long-term success through its effective leadership and management of the Company’s business. Hence, the Board is responsible for the long-term performance of the Group and for overseeing the Group’s strategy and monitoring its operations.

The Board’s principal function is to address all the significant matters as it is accountable under the applicable laws and regulations for the Group’s activities, strategies, financial position and performance. The Board delegates certain responsibilities to the Management, entrusting them with implementing the Group’s strategic direction and managing its day-to-day operations. The Board also assigns specific functions to the Board Committees to assist the Board in overseeing the corporate governance of the Group. The functions and the terms of reference of the committees have been defined by the Board in the Terms of References of the respective committees. The key matters reserved for the Board’s approval are specified in the Board Charter.

The Board adheres to the Code of Conduct and Ethics for Directors which highlights the criteria that Directors should observe in the performance of their duties. The following are the roles and responsibilities of the Board in discharging its fiduciary functions:-

- Lead, control, provide strategic direction and have the overall responsibilities for corporate governance.
- Formulate key policies, overseeing investments and businesses for the Group.
- Ensure that the Company has the appropriate corporate disclosure policies and procedures.
- Establish succession planning and ensure that all candidates appointed to Senior Management are of sufficient caliber.
- Identify principal risks and to ensure the implementation of appropriate internal controls.

Practice 1.2 and 1.4 – The Board Chairman

The Chairman of the Board is an Independent Non-Executive Director. The Chairman is capable of leading the Board based on his leadership skills, education level and extensive working experience. The pivotal role involves providing effective leadership to the Board and overseeing the Group’s vision, strategic direction and business development, while being guided by the independent advice and views offered by the Independent Directors, who offer the necessary checks and balances in the decision-making process of the Board.

The Chairman holds the responsibility of promoting and overseeing the standards of Corporate Governance within the Board and the Company. The Chairman ensures that Board members receive accurate, timely and clear information to enable them to monitor performance, make sound decisions and give appropriate advice to promote the success of the Company.

The Chairman takes a leading role in determining the composition and structure of the Board. This involves regular reviews of the overall size of the Board, the mix of skills and expertise among its members, and achieving a balance blend of age, experience and personalities among the Directors.

Corporate Governance Overview Statement (Cont'd)

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

I. Board Responsibilities (Cont'd)

Practice 1.2 and 1.4 – The Board Chairman (Cont'd)

The Chairman, whose primary role is to preside over Board meetings, has the significant responsibility to ensure that all Directors' views are heard, ensure sufficient time for the discussion of each agenda, as well as to provide fair opportunity to all Directors to participate actively and constructively during the meetings and discussions.

The Chairman, Tan Sri Dato' Sri Dr. Samsudin Bin Hitam, is not a member of the Nomination Committee, Audit Committee or Remuneration Committee. Nevertheless, the Chairman participates in the Board Committees' meetings by way of invitation as the Board Committees are of the view that his input and contribution is valuable to the review process, enabling them to discharge their duties effectively.

As the Chairman abstains himself from the decision-making process for all proposals and matters presented for approval during the Board Committee meetings, his participation does not undermine objectivity. Furthermore, all Board Committees are comprised exclusively of Independent Non-Executive Directors, which helps to safeguard independence.

A clear segregation of their responsibilities and powers is stated and defined in the Term of References of Board Committees.

Practice 1.3 – Separation in the roles of Chairman and Chief Executive Officer

The roles of Chairman and the Chief Executive Officer are exercised by different individuals. A clear segregation of their responsibilities and powers is stated and defined in the Company's Board Charter. It is made available for reference on the Company's Website. The Chairman is responsible for managing the conduct of the Board and ensuring its effectiveness including making sure that all Directors receive sufficient relevant information on all financial, business, operation and corporate matters to enable each of them to participate actively and effectively in the Board's decisions. The Chief Executive Officer is responsible for the efficient and effective management of the business operations and strategic direction of the Group.

Practice 1.5 – Company Secretary

The Board is supported by two (2) qualified and competent Company Secretaries who are responsible to advise and regularly update the Board on good governance, board policies, and procedures and corporate compliances.

The Company Secretaries also ensure that the Board is kept well informed on any regulatory requirements and updated on developments in the field of corporate governance that impact the duties and responsibilities of the Directors, considering the Company's status as a public listed company. The Company Secretaries advised and circulate relevant guidelines on new and amended statutory and regulatory requirements from time to time for the Board's reference and brief the Board on these updates at Board meetings. The Company Secretaries ensure that the Company and its Directors operate within the law.

The Company Secretaries also attend all Board and Board Committee meetings and ensure that the discussions on key deliberations and decisions are properly recorded. The Company Secretaries are directly accountable to the Board on all matters in relation to the proper functioning of the Board, maintenance of the corporate documents of the Board, facilitate the Board's communications and monitoring of the implementation of the Board's decisions, where appropriate.

All Directors have full and unrestricted access to the advice and services of the Company Secretaries.

Corporate Governance Overview Statement (Cont'd)

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

I. Board Responsibilities (Cont'd)

Practice 1.6 – Information and support for Directors

The Board of Directors' meetings are held on a quarterly basis and at other times as required. All Directors attended all the Board meetings held during the financial year. Directors who were appointed during the financial year have also attended all Board meetings held from their respective appointment dates onwards.

All Directors had committed their time to the Board meetings held during the financial year and each Director, in the discharge of his or her duties, had participated actively at the meetings.

Board meetings are a platform for the exchange of views, with Directors bringing their experience and independent judgment to discuss the issues at hand. During these meetings, the Board discusses, amongst other matters, the Group's financial position, company policies, risks management, as well as management performance against the corporate targets and budget.

Each Board member is supplied in advance with an agenda, which include the minutes of previous meetings, financial reports and other reports relevant to the meeting, to allow the Directors sufficient time to review and to deliberate at the Board meetings and to facilitate informed decision-making. Management representatives are also present to provide additional insight on matters to be discussed during the Board meetings.

In between Board meetings, matters requiring Board's approval are sanctioned by way of circular resolutions where relevant information on the subject matter are enclosed.

All the Directors have the rights of access to all relevant Company's information, access to Management and may obtain independent professional advice at the Company's expense that are deemed necessary to carry out their duties, subject to prior consultation with the Chairman. To enable them to effectively exercise their duties and responsibilities, Board meetings regularly include sessions on recent key developments in governance and other corporate matters affecting the Group's businesses.

Practice 2.1 – Board Charter

The Board Charter sets out the roles and responsibilities, composition and processes of the Board of Directors ("the Board"). It provides an overview of how the Board leads and provides direction to the Management of the Company. It also sets out the delegation of authority by the Board to various Committees to ensure the Board members, in performing their responsibilities on behalf of the Group, would act in the best interest of all shareholders. In addition, the Board Charter also outlines the core principles of Corporate Governance to which the Company ascribes.

The Board has established three (3) Board Committees, namely the Audit Committee, Nomination Committee and Remuneration Committee that are delegated with specific responsibilities and authorities to assist the Board in executing its duties and to provide the Board with recommendations and advice. The delegation of authority to the Committees enables the Board to achieve operational efficiency, by empowering each Committee to review, report and make recommendations to the Board on matters relevant to their roles and responsibilities. Each Committee is governed by its own Terms of Reference ("TOR") which sets out its functions and duties, composition, rights and meeting procedures. The Board Charter and TORs are reviewed and revised periodically to meet changing business, operational and regulatory requirements.

Practice 3.1 - Code of Conduct and Ethics

The Group is committed to promoting and maintaining high standards of transparency, accountability and ethics in the conduct of its business and operations. The Group's employee handbook governs the terms and conditions of employment and the standards of ethics and good conduct expected of the Chief Executive Officer and employees. The Board has established the Code of Conduct and Ethics for Directors which described the standards of business conduct and ethical behavior for Directors in the performance and exercise of their duties and responsibilities as Directors of the Company or when representing the Company.

Corporate Governance Overview Statement (Cont'd)

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

I. Board Responsibilities (Cont'd)

Practice 3.2 – Whistleblowing Policy

The Board is committed to the highest standard of integrity, openness and accountability in the conduct of its businesses and operations. It has established the Whistleblowing Policy that provides a channel to enable employees and other stakeholders to report any suspected breaches of law or regulations or any illegal acts observed in the Group, including financial malpractice or fraud, non-compliance with regulatory requirements, danger to health, safety or the environment, criminal activity and corruption.

The whistleblower is not responsible for investigating the activity or for determining fault or corrective measures. Instead, the appropriate Management officials are charged with these responsibilities. The policy is to provide an avenue for all employees of the Company and members of the public to disclose any improper conduct in accordance with the procedures as provided for under this policy and to provide protection for employees and members of the public who report such allegations.

A whistleblower will be accorded with protection of confidentiality of identity, to the extent reasonably practicable. In addition, employees who whistle blow internally will also be protected against any adverse and detrimental actions for disclosing any improper conduct committed or about to be committed within the Company, to the extent reasonably practicable, provided that the disclosure is made in good faith. Such protection is accorded even if the investigation later reveals that the whistleblower is mistaken as to the facts and the rules and procedures involved.

It outlines the procedures for reporting a genuine concern on any breach of conduct that is taking place, have taken place or may take place in the future. The Company treats all reports in a confidential manner and at the same time provides protection to anyone who reports such concerns in a good faith. The Whistleblowing Policy is reviewed periodically and is available on the Company's website.

Practice 4.1 – Responsibility for the Governance of Sustainability

The Board is responsible to oversee the Group's sustainability agenda, practices, strategies and performance supported by the Management. The Management is tasked to integrate sustainability considerations in the day-to-day operations of the Group and ensuring the effective implementation of the Group's sustainability strategies and plans.

The Sustainability Statement of the Group provides an overview of the sustainability performance for the financial year ended 31 March 2024.

Practice 4.2 – Effective Communication with Stakeholders

The Company believes in transparency and open lines of communication with all the stakeholders. Transparency and communication are fundamental components of good corporate governance and serve to build vital relationships of trust that the Company maintains with its stakeholders.

The Company engages its stakeholders through various means of communication to enable them to better understand the Group's business operations and seek their feedback and input on matters relevant to them. The Group identifies them through issues which are material based on their impact to the Group's operations and the number of stakeholders affected.

A list of identified key stakeholders, engagement methods, areas of interest and the outcome of engagement during the financial year, are disclosed in the Sustainability Statement of the Annual Report 2024.

Corporate Governance Overview Statement (Cont'd)

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

I. Board Responsibilities (Cont'd)

Practice 4.3 – Sustainability Issues

Taking note of the importance of sustainable development, the Group conducts a materiality assessment annually as part of the regular sustainability practice to ensure that the material matters remain relevant to the stakeholders. The details of the materiality assessment during the financial year are made available in the Sustainability Statement of the Annual Report 2024.

Practice 4.4 – Performance Evaluations of the Board

The Board of Directors and Board Committees' assessments and evaluations are performed on a yearly basis to assess the following areas:-

- Board and Board Committee performance and effectiveness;
- Board skills matrix;
- Directors' performance and competency; and
- Directors' independence level.

Based on the assessment and evaluation performed by each individual Director and the Nomination Committee:

- (a) The Nomination Committee was satisfied that the Directors had discharged their responsibilities in a commendable manner, acted competently, contributed effectively to the Board and demonstrated full commitment to their duties as Directors.
- (b) The Nomination Committee was satisfied with the current structure, size and composition of the Board which comprises people who possess different expertise and experience in various fields and specialisations to enable the Board to lead and manage the Company effectively.
- (c) The Nomination Committee was satisfied with the performance and contribution of each individual Director and each Director is well qualified in his/her area of expertise and profession.
- (d) The Nomination Committee was satisfied with the level of independence demonstrated by the Independent Non-Executive Directors and their ability to act independently and objectively in the best interest of the Company.

II. Board Composition

Practice 5.1 – Responsibilities of Nomination Committee

Practice 5.7 – Appointment and Reappointment of Directors

The Nomination Committee performs a Board Assessment on an annual basis to ensure that the right group of people with the appropriate mix of skills are appointed.

During the financial year, the Nomination Committee conducted an assessment of Directors who are seeking for re-election at the forthcoming 32nd Annual General Meeting ("AGM") and concluded that Tan Sri Dato' Sri Dr. Samsudin bin Hitam and Mr. Rungit Singh A/L Jaswant Singh are eligible for re-election pursuant to Clause 100 and Mr. Fong Wai Leong is eligible for re-election pursuant to Clause 107 of the Company's Constitution.

The Board had approved and proposed the re-election of Tan Sri Dato' Sri Dr. Samsudin bin Hitam, Mr. Rungit Singh A/L Jaswant Singh and Mr. Fong Wai Leong at the forthcoming AGM.

Corporate Governance Overview Statement (Cont'd)

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

II. Board Composition (Cont'd)

Practice 5.1 – Responsibilities of Nomination Committee (Cont'd)

Practice 5.7 – Appointment and Reappointment of Directors (Cont'd)

The details of the Directors seeking for re-election at the AGM, including their qualifications, working experience, directorship in other public listed companies, relationship with any Director or major shareholder and conflict of interests with the Company, are set out in the Profile of Directors section as disclosed in the Annual Report 2024.

The details of the interests of the Directors in the securities of the Company and attendance at the Board of Directors' meetings held during the financial year ended 31 March 2024 are also disclosed in the Annual Report.

Practice 5.2, 5.3 and Step Up 5.4 – Independent Directors

The Board currently consists of six (6) members, comprising the Independent Non-Executive Chairman, an Executive Director and four (4) Independent Non-Executive Directors. Based on the annual review of the composition of the Board carried out by the Nomination Committee, the Board is satisfied that its current size and composition reflect an appropriate balance of experience and expertise adequate for the scope and nature of the Group's business and operations.

The Independent Non-Executive Directors are independent of Management and free from any business, relationships or any circumstance that could materially interfere with the exercise of independent judgment or the ability to act in the best interest of the Company. They have also fulfilled the criteria of an Independent Director pursuant to the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

The Independent Non-Executive Directors have a crucial role in ensuring that the Board is an effective board and through which good corporate governance can be promoted throughout the entire Company. They are expected to provide a balanced and independent view. It calls for persons of caliber, integrity, with requisite business acumen, and the credibility, skills and experience to bring independent judgement on issues of strategy, performance, and resources, including key appointments and standards of conduct. Independent Directors must be given free access to the records and information of the company as well as independent legal advice and the services of the Company Secretaries if they find this to be necessary to fulfil their duties.

The Board reviews and assesses the independence of Directors annually based on the criteria set by the Nomination Committee. One of the assessment criteria is the ability of the individual Director to exercise objectivity in the discharge of his or her responsibilities in the interest of the Company.

The Board had also carried out independence assessment of its Non-Executive Directors in terms of their relationship and dealings with the Company and the Board is of the view that all the Non-Executive Directors remain independent.

The Board is of the view that throughout their tenure, the Independent Directors have demonstrated independence in character and judgement, and have always looked out for the best interest of the Company. The Independent Directors have provided independent views based on their experience and knowledge that allow for diverse and objectives perspectives on the Group's business and direction.

In line with the recommendation of the Code, the tenure of an Independent Director of the Company shall not exceed a cumulative term of nine (9) years. An Independent Director may continue to serve the Board subject to the re-designation of the Independent Director as a Non-Independent Director. In the event the Board intends to retain the Independent Director as an Independent Director after serving a cumulative term of nine (9) years, shareholders' approval will be sought. The tenure of all the Directors on the current Board do not exceed a cumulative term limit of nine (9) years.

Corporate Governance Overview Statement (Cont'd)

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

II. Board Composition (Cont'd)

Practice 5.5 and 5.6 – Diversity on Board and in Senior Management & Sourcing of Directors

The Board reviews from time to time the composition of the Board and considers new appointments when the need arises. The Nomination Committee is responsible for assessing and making recommendations to the Board on the candidature of Directors based on recruitment criteria established by the Board.

The Nomination Committee has the responsibility to ensure the composition of the Board represents a good mix of knowledge, skills and experience to ensure that the Group is competitive within its industry. In considering potential candidates for appointment, the Nomination Committee undertakes a thorough review of the candidate's criteria, amongst others, qualifications, skills, knowledge, expertise, experience, personal attributes and the capability to devote the necessary time and commitment to the role.

All Directors have attended and successfully completed the Mandatory Accreditation Programme accredited by Bursa Securities. In addition, seminars and conferences organized by Bursa Securities, relevant regulatory bodies and professional bodies on areas pertinent to the Directors are communicated to the Board for their participation. The Board has identified training needs amongst the Directors and enrolled themselves for the training programs as and when required. Directors may also request to attend additional training to keep abreast of their individual requirements.

All Directors are also provided with updates from time to time by the Company Secretaries and auditors on matters relating to Directors' duties and responsibilities, as well as on relevant regulations. The Company Secretary ensures all appointments are properly made and all necessary information required by the new Directors for the proper discharge of their duties is obtained.

Appointments of new Directors are undertaken by the Board as a whole after considering the recommendations of the Nomination Committee. Potential candidates may be proposed by any current Board member, shareholder or senior management personnel or by utilising independent sources such as recruitment firms or through industry associations. In considering potential candidates for appointment, the Nomination Committee undertakes a thorough review of the candidate's criteria, amongst others, qualifications, skills, knowledge, expertise, experience, personal attributes and the capability to devote the necessary time and commitment to the role.

During the financial year, one (1) new director was appointed to the Board, namely Mr. Fong Wai Leong.

When considering the nomination of directors, the Nomination Committee takes into account the directors' ability to devote sufficient time and attention to properly fulfill their responsibilities. Besides attending all meetings of the Board and Board Committees on which they serve, each member is expected to be present in all shareholders' meetings, major company events and to participate in continuing training programs. The proposed date for AGM are also notified to all Board members in advance, to enable all directors to be present at the meeting and engage with the shareholders.

The Chairman and the Chief Executive Officer are responsible for the identification and development of the Key Senior Management, as well as to review the succession planning for the key management team from time to time. The Chairman and the Chief Executive Officer shall search for suitable candidates through established channels such as public advertisement or direct approaches being made to individuals who may be suitable or through organisations that may be able to assist in the recruitment process. In selecting the appropriate candidates, the Chairman and Chief Executive Officer take into account the candidate's qualification, experience, competence and character. Newly appointed Key Senior Management will have to undergo induction trainings and/or any other programs.

Corporate Governance Overview Statement (Cont'd)

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

II. Board Composition (Cont'd)

Practice 5.8 – Nomination Committee

The Board has established a Nomination Committee to provide advice and assistance to the Board in matters relating to the appointment of new Directors, Board composition, training programs and performance evaluations on the effectiveness of the Board, Board Committees and individual Directors. Full details of the Nomination Committee's duties and responsibilities are stated in its TOR which is available on the Company's website.

The Nomination Committee of the Company is chaired by an Independent Non-Executive Director and is composed of two (2) other Independent Non-Executive Directors. The Nomination Committee ("NC") meets as and when required, at least once a year. During the financial year, four (4) meetings were held with the attendance as follows:

Name of Director	No. of Meetings Attended
Rungit Singh A/L Jaswant Singh (Chairman)	4/4
Datin Norizan Binti Idris	4/4
Stephen Geh Sim Whye	4/4

During the financial year, the Nomination Committee had carried out the following activities:

- (a) Assessed the performance of the Board, Board Committees and individual Directors, including the term of office and performance of the Board Committees and each of its respective members;
- (b) Reviewed the required mix of skills and experience and other qualities including core competencies which Non-Executive Directors should bring to the Board;
- (c) Reviewed the size of the Board against the size of the Group and the complexity of the business to assess the impact of the number upon its effectiveness;
- (d) Reviewed the performance of retiring Directors and recommended them to the Board for re-election at the forthcoming AGM; and
- (e) Reviewed the performance of the Key Senior Management positions.

Practice 5.9 – Gender Diversity

The Board, through the Nomination Committee, will consider appropriate candidates for appointment as Board members in terms of gender, ethnicity and age, and will take required measures to meet those targets from time to time if deemed necessary to enhance the effectiveness of the Board. The Board consists of members with a broad range of skills, who are well-rounded, and have experience and knowledge in different fields relevant to oversee the business. The Board ensures that each member has a proper understanding of the Group's business and competence to deal with current and emerging issues of the Group.

The Board acknowledges the importance of gender diversity as an important element of a well-functioning board. As at the date of issuance of this report, there is one (1) woman Director on Board.

The Board is satisfied that the current Board composition fairly reflects a good mix of knowledge, skills and experience. Through its Nomination Committee, the Board will continue to review its structure and composition in order to ensure boardroom diversity and balance of power and authority, which are fundamental to an effective Board.

Corporate Governance Overview Statement (Cont'd)

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

II. Board Composition (Cont'd)

Practice 5.10 – Policy on Gender Diversity

The Board currently does not have a formal policy on its boardroom or gender diversity. The evaluation and selection criteria of a Director are very much dependent on the effective blend of knowledge, skills, competencies, experiences and time commitment of the new Board member. Nonetheless, the Board is supportive of gender diversity in the Boardroom composition as recommended by the MCCG and will endeavour to consider suitable and qualified female candidates for appointment to the Board.

Practice 6.1 – Evaluation for Board, Board Committees and Individual Directors

The Nomination Committee annually performs an assessment of the effectiveness and performance of the Board, Board Committees and individual Directors, in order to verify that the Board is functioning appropriately as a whole. Each Director completed detailed questionnaires in the Directors' Performance Evaluations which covered matters relevant to the Board performance, among other things, contribution to interaction, quality of input, understanding of role and personal developments. An evaluation of each Board Committee was done by assessing the structure, roles and responsibilities, performance of the respective Chairman, as well as Committee's performance against its TOR.

The Nomination Committee's assessment criteria have been extended to include the elements specified in the Directors' Fit and Proper Policy adopted by the Board, such as personal integrity, time and commitment. This policy also serves as a guide for the Nomination Committee and the Board in their review and assessment of candidates that are to be appointed as well as Directors who are seeking for re-election, and ensures that they possess the necessary quality and character as well as integrity, competency and commitment. The policy is accessible on the Company's website at <https://www.avillionberhad.com/our-company/corporate-governance/>.

The assessment was internally facilitated, whereby results of the assessments had been compiled, documented and reported to the Board accordingly, as part of the Company's ongoing corporate governance practices.

Based on the assessment carried out during the financial year, the Nomination Committee had concluded the following:-

- (a) The Board was found to be competent and had a dynamic and balanced mix of skills and experience wherein the Directors were able to contribute effectively to the Board's decision-making process.
- (b) The current structure, size and composition of the Board, which comprises people who possess a wide range of expertise and experience in various fields with diverse backgrounds and specialisations, enables the Board to lead and manage the Company effectively.
- (c) The Directors had discharged their responsibilities in a commendable manner, acted competently, contributed effectively to the Board and demonstrated full commitment to their duties as Directors.
- (d) The Board and Board Committees had contributed positively to the Company and its subsidiaries and were operating in an effective manner.
- (e) The Board Chairman had performed in an excellent manner and contributed to the Board.
- (f) The performances of the Board Committees were found to be effective.

The Board recognises the importance of continuous training to remain abreast of the latest developments in related industries and changes to the regulatory environment. The assessment on individual Directors also provided the Board with valuable insights into training and development needs of each Director, to ensure that each Board member's contribution to the Board remains informed and relevant.

Corporate Governance Overview Statement (Cont'd)

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

II. Board Composition (Cont'd)

Practice 6.1 – Evaluation for Board, Board Committees and Individual Directors (Cont'd)

During the course of the financial year, the Directors have attended various training programmes which include conferences, forums, seminars, workshops and briefings, apart from the briefings conducted by the Company Secretaries pertaining to updates on the MCCG and MMLR of Bursa Securities. The external auditors also briefed the Board members on any changes to the Malaysian Financial Reporting Standards that affect the Group's financial statements. Particulars of the seminars and courses attended include the following:

Director	Courses/ Seminars/ Workshops/ Conferences	Organizer(s)	Date
Stephen Geh Sim Whye	Directors' conflict of Interest	SSM	15/06/2023
	Taxation- Reinvestment allowance	CTIM	20/06/2023
	e-Invoicing	CTIM	15/12/2023
	2024 Budget	CTIM	18/12/2023
	Capital Gains Tax	CTIM	21/12/2023
Datin Norizan binti Idris	Ratio Analysis Workshop with Wharton Interactive Alternate Reality Courseware	TNB Energy Services Sdn Bhd	13/01/2024
	Women in Leadership Seminar : Wanita Inspirasi Perintis Generasi	Tenaga Nasional Berhad	04/03/2024
	Understanding & Introduction ISO 37001:2016 (Anti-Bribery Management System)	Tenaga Nasional Berhad	22/03/2024

III. Remuneration

Practice 7.1 – Remuneration Policy

The remuneration of Directors shall be the ultimate responsibility of the full Board after considering the recommendations of the Remuneration Committee.

The remuneration of the Chief Executive Officer was determined fairly based on the performance and the profitability of the Group as a whole. The Directors' remuneration is at the discretion of the Board, taking into account the comparative market rates that commensurate with the level of contribution, experience and participation of each Director. The overriding principle adopted in setting the remuneration packages for the Chief Executive Officer by the Remuneration Committee is to ensure that the Company attracts and retains the appropriate Directors of the calibre needed to run the Group successfully.

The determination of the remuneration for Non-Executive Directors is a matter of the Board as a whole. The level of remuneration for Non-Executive Directors reflects the amount paid by other comparable organisations, adjusted for the experience and levels of responsibilities undertaken by the particular Non-Executive Directors concerned. The remuneration package of Non-Executive Directors will be a matter to be deliberated by the Board, with the Director concerned abstaining from deliberations and voting on deliberations in respect of his individual remuneration. In addition, the Company also reimburses reasonable out-of-pocket expenses incurred by all the Non-Executive Directors in the course of their duties as Directors of the Company. The aggregate annual Directors' fees are to be approved by shareholders at the AGM based on recommendations of the Board.

Practice 7.2 - Remuneration Committee

The Remuneration Committee was established to assist the Board in developing remuneration policies and procedures that enable the Group to attract, motivate and retain qualified Directors and Key Senior Management personnel. Full details of the functions and duties of the Remuneration Committee are stated in its TOR which is available on the Company's website.

Corporate Governance Overview Statement (Cont'd)

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

III. Remuneration (Cont'd)

Practice 7.2 - Remuneration Committee (Cont'd)

The Remuneration Committee (“RC”) comprises of exclusively Independent Non-Executive Directors. During the financial year, two (2) meetings were held with attendance as follows:

Name of Director	No. of Meetings Attended
Taufiq Bin Abdul Khalid (Chairman)	2/2
Rungit Singh A/L Jaswant Singh	2/2
Stephen Geh Sim Whye	2/2

During the financial year, the Remuneration Committee had carried out the following activities:

- Reviewed and recommended to the Board on the fees and meeting allowances of Non-Executive Directors, particularly on whether the remuneration remains appropriate to each Director’s contribution, by taking into account the level of expertise, commitment and responsibilities undertaken;
- Reviewed and recommended to the Board on the remuneration of the Board Committee chairmen;
- Reviewed and assessed the Directors’ fees and benefits payable for the financial year ended 2024; and
- Reviewed and assessed the performance and the remuneration of the Key Senior Management personnel.

Practice 8.1 and 8.2 – Disclosure of Remuneration of Directors

The details of the remuneration of the Directors of the Board (not including Directors of the subsidiaries) for the financial year are as follows:

	Fees (RM)	Salaries (RM)	Attendance Fees (RM)	Statutory Contributions (RM)	Other Emoluments (RM)	Benefits in kind (RM)	Total (RM)
Non-Executive Directors							
- Tan Sri Dato’ Sri Dr. Samsudin Bin Hitam	43,750	-	4,500	-	24,000	-	72,250
- Stephen Geh Sim Whye	43,750	-	4,500	-	-	-	48,250
- Rungit Singh A/L Jaswant Singh	43,750	-	4,500	-	-	-	48,250
- Taufiq Bin Abdul Khalid	43,750	-	4,500	-	-	-	48,250
- Datin Norizan Binti Idris	26,250	-	4,500	-	-	-	30,750
- Fong Wai Leong (Appointed as Non-Executive on 12 October 2023) (Redesignated as Executive Director on 18 January 2024)	7,984	-	1,500	-	-	-	9,484
Total for Non-Executive Director	209,233	-	24,000	-	24,000	-	257,234
Executive Director							
- Fong Wai Leong (Redesignated as Executive Director on 18 January 2024)	-	98,065	-	12,032	4,290	-	114,387
Total	209,234	98,065	24,000	12,032	28,290	-	371,621

The remuneration of the top two (2) Senior Management (including salary, bonus, benefit in kind and other emoluments) are disclosed in band widths of RM50,000 in the Corporate Governance Report.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit Committee

Practice 9.1, Step Up 9.4 and 8.5 - Audit Committee

The Audit Committee (“AC”) consists of the following members:

- (a) Stephen Geh Sim Whye (Chairman)
- (b) Rungit Singh A/L Jaswant Singh
- (c) Datin Norizan Binti Idris

The Chairman of the Audit Committee is not the Chairman of the Board. The Audit Committee Report is set out separately in this Annual Report. Full details of the Audit Committee’s duties and responsibilities are stated in its TOR which is available on the Company’s website.

Practice 9.2 and 9.3 - Oversight of External Auditors

In July 2022, in line with the recommended practice 9.2 of the MCGG, the Audit Committee had revised its TOR to include a clause on a minimum cooling-off period of three (3) years before a former key audit partner can be appointed as a member of the Audit Committee.

The Group engaged the external auditors to perform a non-audit services including review of the Statement of Risk Management and Internal Control. The Board, through its Audit Committee maintains a formal and transparent relationship with its external auditors. The Board delegates the responsibility to the Audit Committee for making recommendations on the appointment, re-appointment or removal of the external auditors as well as on their remunerations. The Audit Committee ensures that the external auditors work closely with the Internal Auditors to enhance the effectiveness of the overall audit process. The Audit Committee assesses the performance and effectiveness of the external auditors annually, considering amongst others, their qualifications, effectiveness of the audit process, quality of service and their independence.

In the course of their audit, the external auditors highlight to the Audit Committee matters pertaining to financial reporting. Private meetings between them were held once during the financial year without the presence of the Management and Executive Directors, to discuss any issues that may require the attention of the Audit Committee.

II. Risk Management and Internal Control Framework

Practice 10.1 and 10.2 – Board Responsibility on Risk Management and Internal Control

The Board is responsible for ensuring that risks and also opportunities are identified on a timely basis and that the Group’s objectives and activities are aligned with those risks and opportunities. The Company’s approach to risk management is based on the identification, assessment, monitoring and management of material risks embedded in its business and management systems. The Statement on Risk Management and Internal Control made pursuant to Paragraph 15.26(b) of the MMLR of Bursa Securities is separately set out in the Annual Report.

The Board recognizes risk management as an integral element of business and operations. The objective of the Group’s ongoing risk assessment process is to ensure that key risk areas are managed within an acceptable risk profile or tolerance level in order to increase the prospects on achievement of business objectives. The Group’s overall risk appetite is based on the assessment of the Group’s existing risk management capabilities and capacity.

The Board acknowledges its overall responsibility to maintain effective governance, risk management and compliance framework. Supported by the Management and Internal Audit function, the Board ensures the adequacy and effectiveness of the Group’s risk management and internal control practices. The Board is responsible to ensure that the Group complies with all applicable provisions of law and regulations and ensures that appropriate risk management systems are in place throughout the Group. The Audit Committee assists the Board to oversee and review the effectiveness of the Group’s risk management and internal control systems. To facilitate effective monitoring, the Board regularly receives reports from the Management on any business risks related to its business activities that have impacted or likely to impact the Company from achieving of its objectives and strategies.

Compliance relating to risk recognition and management is presented in the Group’s Statement on Risk Management and Internal Control as set out separately in this Annual Report.

Corporate Governance Overview Statement (Cont'd)

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

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

Practice 11.1 and 11.2 – Internal Audit function

The Board has established an Internal Audit function within the Company which is led by the Senior Management, Internal Audit Unit who reports directly to the Audit Committee. Details of the key elements of the Group's internal controls system are set out separately in the Statement on Risk Management and Internal Control and the Report of the Audit Committee in this Annual Report.

In general, the Group's Internal Auditor provides an independent evaluation of the effectiveness of the risk management and internal control system of the Group based on an agreed scope of work. It also carries out a follow-up review on the issue raised in the previous internal audit and to ensure that the proposed action plan has been implemented by the Management to mitigate the risk exposure of the Group.

The scope of work covered by the Internal Audit function during the financial year, summary of activities carried out, including its observations and recommendations, are provided in the Statement on Risk Management and Internal Control and Audit Committee Report of this Annual Report.

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

I. Communication with Stakeholders

Practice 12.1 – Communication with Stakeholders

The Company is committed to ensure that timely, accurate and complete information about the Company is provided equally to its shareholders, stakeholders and to the general investing public. Timely information is critical towards building and maintaining the Group's corporate credibility, market integrity and promotes investor confidence.

The Board is ultimately responsible for ensuring the Company's disclosure requirements are fulfilled and overseeing the Group's communications with investors. The disclosure and handling of material information within the company are under the purview of the Chief Executive Officer and Chief Financial Officer, who work in consultation with the Company Secretaries. Moreover, the Company has a dedicated department tasked with addressing investor inquiries received through email or phone calls. The Company strives to promote a better understanding of the Group through investor relation activities. Apart from general meetings, the Company has in place the following initiatives to facilitate effective communication with its shareholders:

- (a) The Annual Report, which contains information such as Management Discussion and Analysis, financial statements, and information on the Audit Committee, Corporate Governance, Sustainability and Corporate Social Responsibility, and Risk Management and Internal Control;
- (b) Various announcements made to Bursa Securities, which include the timely release of financial results on a quarterly basis. Concurrent with these releases, the Company posts all announcements on its website;
- (c) Attending to shareholders' and investors' emails and phone enquiries; and
- (d) The Company's website at <http://avillion.listedcompany.com/home.html> under the Investor Relations section, which contain annual reports, quarterly report announcements, stock and other corporate information on Avillion Berhad. The website also provides the Investor Relations contact for shareholders to direct their queries or concerns to.

The timely release of quarterly announcements and full year financial reports reflects the Board's accountability to its shareholders.

Corporate Governance Overview Statement (Cont'd)

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

II. Conduct of General Meetings

Practice 13.1 – Notice of general meeting

General meetings are the important platform for the shareholders to exercise their rights in the Company, either in AGM or Extraordinary General Meetings.

The Notice of General Meetings together with a copy of the Company's Annual Report and/or Circular to Shareholders will be dispatched to shareholders within the prescribed notice period prior to the scheduled general meetings in order to provide sufficient time the shareholders to make the necessary arrangements to attend and participate either in person, by corporate representative or by proxy. The Board encourages shareholders' participation and engagement at the general meeting as it provides an opportunity for the Board to assess the market expectations and more importantly, it provides an avenue for the shareholders to make enquires on the resolutions being proposed and to seek clarification on the business and performance of the Group. Shareholders are invited to the general meetings through a notice of meeting that specify the venue, day and hour of the meeting, as well as the business of the meeting.

Practice 13.2 – Attendance of Directors at General Meetings

The AGM is the principal forum for dialogue and interaction with all shareholders, who are given the opportunity to enquire and seek clarification on the operations and financial performance of the Group.

During the AGM, the Chairman ensures that shareholders are given the opportunity to comment or raise issues and questions whether pertaining to issues on the agenda, the annual report, Group's strategy or developments in the Group. The Chairman plays a vital role in fostering constructive dialogue between the Board and the shareholders. All the members of the Board and the respective chairmen of the Board's Committees are present at the meetings to address queries raised by the shareholders which are relevant to their areas of responsibility.

Practice 13.3 – Voting

The Company's General Meetings have always been held at venues which are easily accessible by its shareholders.

Shareholders are entitled to appoint representatives or proxy/proxies/Chairman to vote on their behalf in their absence. The Company is supportive of technologies that can facilitate remote shareholders' participation and voting.

The Company will be conducting its upcoming AGM through live streaming via Remote Participation and Voting facilities.

By leveraging on the Remote Participation and Voting facilities, shareholders can participate remotely and cast their votes electronically. The Company's shareholders are entitled to appoint corporate representatives or proxy(s) to participate and vote on their behalf in their absence at the AGM via Remote Participation and Voting facilities.

Corporate Governance Overview Statement (Cont'd)

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

II. Conduct of General Meetings (Cont'd)

Practice 13.4 – General Meetings

Practice 13.5 – Conduct of Virtual General Meeting

Shareholders are encouraged to participate and vote remotely during the Company's AGM using the Virtual Meeting Facilities. A registration link is provided to the shareholders in the Administrative Guide, which is released together with the Notice of AGM and made available on the Company's website and Bursa Securities' website.

Prior to the AGM, the shareholders are allowed to submit any questions online by scanning the QR Code or clicking the link provided in the Administrative Guide. During the AGM, the shareholders are encouraged to submit typed questions in real time within the Question and Answer ("Q&A") Box at the bottom of the messaging screen. Any questions can be submitted at any time until the announcement of the closure of the Q&A session.

The Directors and Management have answered all the questions submitted prior or during the meeting during the Q&A session.

All Directors and Senior Management had attended the fully virtual AGM held on 13 September 2023 to engage directly with shareholders and be accountable for their stewardship of the Company.

An Administrative Guide was released together with the Notice of AGM, whereby the shareholders are entitled to appoint proxy/proxies to participate and vote, instead of shareholders themselves, by submitting the Form of Proxy to the Registered Office of the Company not later than forty-eight (48) hours before the time appointed for the taking of poll at the meeting or adjourned meeting.

The Company had appointed Shareworks Sdn. Bhd. ("Shareworks") as the Poll Administrator to conduct the poll by way of online voting and to provide a virtual meeting facility for the 32nd AGM held on 12 September 2024.

Practice 13.6 – Minutes of the General Meeting

The minutes of the 31st AGM was made available to the shareholders on its website and the Company will upload the minutes of upcoming 32nd AGM no later than 30 business days after the AGM on its website.

ADDITIONAL COMPLIANCE INFORMATION

The following information is provided in compliance with the MMLR of Bursa Securities:

- **Utilisation of proceeds raised from Corporate Proposals**

On 17 October 2019 the Company announced the proposed listing and quotation of up to 188,881,350 Placement Shares and an issuance of up to 566,644,050 free warrants on the basis of one Warrant for every two ordinary shares of the Company held on an entitlement date to be determined by the Board and announced at a later date.

In June 2021, the Company had placed out 2,083,334 Placement Shares at RM0.12 each and listed on the Main Market of Bursa Securities on 21 June 2021. The Company had further placed out 96,333,330 Placement Shares at RM0.12 each and 90,464,686 Placement Shares at RM0.12 each in August and November 2021 respectively, of which such Placement Shares were listed on the Main Market of Bursa Securities on 24 August and 19th November 2021 respectively.

Corporate Governance Overview Statement (Cont'd)

ADDITIONAL COMPLIANCE INFORMATION (CONT'D)

- Utilisation of proceeds raised from Corporate Proposals (Cont'd)**

The status of utilization of proceeds raised from the abovementioned Placement Shares as at 31 March 2024 were as follows:

	Circular dated 3rd Dec 2019 (RM'000)	Proceeds Raised (RM'000)	Approved Revised (RM'000)	Amount Utilised (RM'000)	Amount Unutilised (RM'000)	Intended Timeframe for Utilisation (RM'000)
Repayment of Bank borrowings	6,000	6,000	4,889	4,889	–	
Asset Enhancement & refurbishment programme	10,000	10,000	5,611	2,323	3,288	Within 6 months
Part funding of Desa Impian Project	3,000	3,000	3,000	3,000	–	
General working capital	7,093	3,316	8,816	8,816	–	
Estimated expenses	350	350	350	350	–	
Total	26,443	22,666	22,666	19,378	3,288	

- Audit and Non-Audit Fees**

During the financial year ended 31 March 2024, the amount of audit and non-audit fees paid/payable by the Group and the Company to the external auditors for services rendered to the Company and its subsidiaries are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
After charging:				
Auditors' remuneration				
- statutory audit				
- Baker Tilly Monteiro Heng PLT	249	249	68	68
- Other auditors	87	87	–	–
- non-statutory audit				
- Baker Tilly Monteiro Heng PLT	6	6	6	6

- Material Contracts with Related Parties**

There were no material contracts entered into by the Company and its subsidiaries involving Directors, Chief Executive who is not a Director and major shareholders' interests, either subsisting at the end of the financial year or entered into since the previous financial year.

STATEMENT OF COMPLIANCE WITH THE CODE

The Board is satisfied that the Group has substantially complied with the majority of the practices of the MCCG throughout the financial year. In pursuit of safeguarding the interest of the shareholders and other stakeholders, the Board is committed and will continue to strengthen its application of the best practices in corporate governance.

The Board is responsible for ensuring that the financial statements are properly drawn up so as to give a true and fair view of the financial position of the Group at the end of the financial year. In preparing the financial statements, the Board ensured that applicable approved accounting standards in Malaysia and the provisions of the Companies Act 2016 have been applied.

AUDIT COMMITTEE REPORT

The Board of Directors is pleased to present the Audit Committee Report for the financial year ended 31 March 2024 which is appended below :-

1.0 COMPOSITION

Chairman :	Stephen Geh Sim Whye <i>Independent Non-Executive Director</i>
Committee Members :	Rungit Singh A/L Jaswant Singh <i>Independent Non-Executive Director</i>
	Datin Norizan Binti Idris <i>Independent Non-Executive Director</i>

2.0 TERMS OF REFERENCE

The Terms of Reference of the Audit Committee are available on the corporate website at www.avillionberhad.com

3.0 AUDIT COMMITTEE MEETINGS

During the financial year ended 31 March 2024, the Audit Committee held five (5) meetings. The details of attendance of each Committee member are as follows:-

Designation	Director	No. of Meetings Attended
Chairman	Stephen Geh Sim Whye	5/5
Committee Member	Rungit Singh A/L Jaswant Singh	5/5
	Datin Norizan Binti Idris	5/5

4.0 SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

For the financial year ended 31 March 2024, the key activities undertaken by the Audit Committee included the following:-

a) Annual Budget and Financial Reporting

- Evaluated the Group's annual budget, business strategies deployed and other proactions taken for the Board of Directors ('the Board') approval.
- Reviewed the quarterly and annual financial statements, any significant variances against the budget and draft announcements to Bursa Securities with the Management and External Auditors, where applicable, before recommending them to the Board for approval.
- Deliberated on adequacy of key disclosures in the financial statements, conformity with the accounting standards and practices and other matters relevant to the Group's operations in all material aspects.
- Assessed the Group's ability to meet its contractual and financial commitments as and when they fall due and proaction measures initiated with the presence and explanations of the Chief Executive Officer and Chief Financial Officer.

Audit Committee Report (Cont'd)

4.0 SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE (CONT'D)

b) External Audit

- Reviewed and approved the External Auditors' annual audit planning memorandum, outlining amongst others, the engagement team, their audit approach, scope of work and significant accounting and auditing matters which affect financial reporting.
- Reviewed and noted the audit conclusions, key matters arising and the Management's responses.
- Discussed with the External Auditors, the impact of significant accounting and auditing updates arising from new or proposed changes in accounting standards and regulatory requirements for conformity in relation to the financial statements.
- Conducted private sessions with the External Auditors, when required, on the audit, financial statements and other matters without the presence of the Management to ensure any contentious issues are raised for its attention.
- Evaluated the suitability, performance, independence and objectivity of the External Auditors for their reappointment as Auditors and recommended their reappointment and proposed audit fees to the Board for approval.

c) Internal Audit

- Assessed and adopted the risk based annual Internal Audit Plan to ensure adequacy of audit scope, frequency and allocated resources over the activities of the Group's business and support divisions.
- Reviewed the scheduled audit reports, key issues, potential risk implications, audit recommendations, Management's responses, agreed remedial actions for improvements and timelines.
- Monitored and deliberated the outcomes of follow up audit reports to assess the status of agreed action plans by the Management on recommendations raised in preceding cycles of audit. Specific timelines were set and agreed by the Management for outstanding matters to be resolved.
- Assessed promptness, adequacy and effectiveness of the Management's remedial actions taken to ensure key risk concerns were satisfactorily addressed.

d) Annual Report

- Reviewed and recommended the reports and statements in the Annual Report 2024 for the Board's approval.

Audit Committee Report (Cont'd)

5.0 SUMMARY OF ACTIVITIES OF THE INTERNAL AUDIT FUNCTION

Functionally, the Internal Audit reports directly to the Audit Committee. Its principal role is to undertake periodic reviews on the state of the risk management and internal control system of the Group's key business and support divisions. The primary objective of these reviews is to provide reasonable assurance to the Audit Committee that the system continues to operate satisfactorily, effectively and compliance with Regulations.

The annual Internal Audit Plan prepared based on the Group's business and risk environment is deliberated and approved by the Audit Committee to ensure the key controls addressing those identified potential risks are reviewed.

For the financial year ended 31 March 2024, the Internal Audit activities carried out included the following:-

- Tabled the annual Internal Audit Plan to the Audit Committee for deliberation and approval. The Audit Plan took into consideration key risks impacting the Group and feedback from the Management on key areas of concern.
- Conducted scheduled audit engagements and walk through processes of the Group's business and support divisions, focusing primarily on key business processes, prevailing support systems, controls and governance processes, safeguarding of assets, operational efficiency and effectiveness, conformity with policies and procedures and relevant laws and regulations.
- Performed follow up reviews on implementation of agreed remedial actions as reported in previous audit reports and findings to ensure they had been promptly and adequately addressed.
- Assessed the adequacy and effectiveness of the Group's risk management and internal control system in identifying, evaluating, managing and monitoring key potential risks.
- Presented audit reports to the Audit Committee and Management which highlighted key concerns, root cause(s), potential risk implications, audit recommendations, Management's comments with proposed corrective actions and implementation datelines. The audit recommendations took into consideration, the Group's strategic directions, corporate and business objectives and key risks within its diversified and fluid business environment.
- Followed up on ad hoc requests and recommendations of both the Audit Committee and Management on the audit plan, scope and reports. To maintain its independence and objectivity during the audit, the Internal Audit function does not assume any authority, responsibility and accountability over any aspects of the business and support divisions reviewed.

For the financial year under review, the total cost incurred in relation to the internal audit function amounted to approximately RM200,000. (2023: RM300,000)

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

1.0 INTRODUCTION

The Board of Directors ('the Board') is pleased to present the Statement on Risk Management and Internal Control ('Statement') which delineates the nature and scope of the Group's risk management and internal control systems for the financial year ended 31 March 2024. The Statement is prepared in accordance with Paragraph 15.26(b) of Bursa Malaysia Main Market Listing Requirements and is guided by the Statement on Risk Management and Internal Control : Guidelines for Directors of Listed Issuers.

2.0 RESPONSIBILITIES OF THE BOARD

The Board affirms its ultimate responsibility for continuing to maintain viable risk management and internal control practices to safeguard its shareholders interests, customers, employees and the Group's assets. The internal control system does not encompass only financial controls but operational and compliance controls to manage identified key risks.

In view of day to day business decisions which entail certain degree of risk and the inherent limitations in any system of risk management and internal control, the prevailing system can only manage risks within an acceptable level, rather than eliminate the risk of failure to meet business objectives. As such, the system can only provide reasonable except absolute assurance against the risks of fraud, material misstatements or financial losses arising from unforeseeable circumstances or events. In this regard, weightage of the system implementation cost against the expected benefits to be derived had been duly considered.

The Board recognises that the review of the risk management and internal control system is a concerted and continuous process. Hence periodic reviews of the key business processes are continuously being undertaken to ensure the adequacy and integrity of the aforesaid system. In the review of the risk management and internal control system, key risks, probability of occurrence, potential risk implications, mitigating controls and cost of controls are looked into.

3.0 RISK MANAGEMENT SYSTEM

The Board recognises that all business decisions involve taking of appropriate risks. Effective risk management requires balancing potential returns against key risks and the cost of managing risks. The Group's risk appetite and tolerance level is determined by its existing risk management capabilities and capacity.

In fulfilling its fiduciary responsibilities, the Board performs risk oversight and delegates daily business decisions to the Management team who are entrusted as risk owners. The Management team comprises the corporate, business and support divisions.

The Management team, in their respective roles is tasked with the responsibility of ingraining risk management into the business and operational processes to ensure that they remain effective and relevant to date. The key elements of the risk management process are :-

3.1 Risk Identification, Monitoring & Reporting

The Group adopts a 'Two Lines of Defence' risk management approach which provides a formal and transparent risk governance structure to promote active involvement from the Board and Management at Corporate level together with the heads of business and support divisions.

Under the 'First Line of Defence' at business operations level, the heads of business and support divisions with their employees, within their scope of responsibilities, are collectively responsible and accountable to ensure risk management is integrated in their core business activities. They assess identified risks based on likelihood of occurrence and impact on business activities. Areas of control relevant to their business requirements are identified before the necessary controls and actions are devised to manage risks within their acceptable risk tolerance. This structure enables the respective divisions to have a 'voice' in support of the risk management initiatives and provide adequate feedback. The heads of business and support divisions update the Management at corporate level on key risks, implications and other relevant matters for deliberation before they are escalated to the Board.

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

3.0 RISK MANAGEMENT SYSTEM (CONT'D)

3.1 Risk Identification, Monitoring & Reporting (Cont'd)

In the 'Second Line of Defence', under the purview of the Board's oversight responsibility, the External Audit and Internal Audit functions provide the Board with further assurances by conducting independent and objective assessments to assess and ascertain if the controls adopted by the business and support divisions are adequate and reliable in managing the identified risks and conform with statutory and regulatory requirements. Board meetings with the Management are carried out at least once every quarterly in a year or as and when required to discuss strategic, financial, operational and other agenda.

3.2 Risk Assessment

The Management identifies and evaluates the key risks of the business and support based on likelihood of occurrence and potential risk implications before they are further assessed and deliberated at the Group level. The objective is to ensure a balanced achievement of the Group's corporate and business objectives, operational efficiency and cost effectiveness can be attained.

4.0 INTERNAL CONTROL SYSTEM

The internal control system comprises financial, operational and compliance controls to manage and mitigate identified principal risks. The principal features of the Group's internal control system include the following :-

4.1 Control Environment

- 4.1.1 The control environment sets out the Group's overall control awareness and approach. Its vision and mission statement and strategic business direction is communicated 'top down' to all employees to reinforce corporate core values of commitment, integrity, speed and cost effectiveness.
- 4.1.2 The Board committees namely, the Audit Committee, Nomination Committee and Remuneration Committee had been established to assist the Board in executing its governance responsibilities and oversight function. These committees are governed by their respective defined terms of reference and authority.
- 4.1.3 A formalised organisation structure with defined lines of reporting, levels of authority, responsibility and accountability is in place for planning, executing, controlling and monitoring business operations to ensure independent and effective stewardship and appropriate segregation of duties for check and balance measures. The prevailing system of checks and balances and review and reconciliation processes are subject to periodic review and improvement to prevent any conflict of interest, material human errors and abuses.

4.2 Control Activities

- 4.2.1 Established policies and procedures provide guidance and direction for the management of operational and business activities. Processes on the assessment and approval of capital / investment expenditure, evaluation of asset disposal, investment funding, monitoring of the performance of investments and authorisation limits are in place. These processes are periodically reviewed and updated, when required, in accordance with any changes in the Group's business strategy, operations, economic and business environment.
- 4.2.2 Based on the Group's strategies and risk appetite, the business and support divisions prepare annual business plans, financial and operating budgets for review by the Management before approval by the Board. Variances between approved budget, operating results and prior period's results are reviewed as part of performance management evaluation in order to formulate remedial and mitigation plans for improvement of financial results. The Management conducts periodic review and update of the Group's cashflow position, contractual and financial commitments, corporate and other operational matters.

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

4.0 INTERNAL CONTROL SYSTEM (CONT'D)

4.2 Control Activities (Cont'd)

- 4.2.3 Review and updating of the employee recruitment process, performance evaluation, training and development programmes required are periodically carried out to improve and sustain a competent workforce, talent retention and business continuity. All employees are contractually bound to observe the prescribed standards of business ethics in their conduct at work and their relationships with external parties including customers, suppliers, contractors and other parties.
- 4.2.4 The established Anti Bribery and Corruption Policy and the Whistleblowing Policy provide clarity of the processes, protection and confidentiality to whistleblowers. The policies as reported in the Company's website provide an accessible and safe reporting protocol for employees and other stakeholders to report their genuine concerns on any potential or suspected improprieties, malpractices and misconduct within the Group. It reaffirms the Group's ongoing commitment to ensure its business activities are conducted with integrity in an open and transparent manner and in accordance with policies and procedures and applicable laws and regulations.

4.3 Information and Communication Processes

- 4.3.1 Scheduled Board and Management meetings are conducted at least once every quarterly annually and also on an ad hoc basis, when required, to provide a forum for regular dialogues and feedback in a timely, transparent and confidential manner. The Management updates the Board on any significant changes in the external business environment which may impact business operations.
- 4.3.2 The business and support divisions generate financial, management and other relevant reports on a regular and consistent basis. These comprehensive reports enable the Management to perform financial and operational reviews on the respective operating entities for timely decision making and expediting of necessary actions.
- 4.3.3 The above reports facilitate the Board and Management to assess and conclude if the financial and operational results attained are aligned with the Group's business objectives and goals.

4.4 Planning, Monitoring and Reporting Activities

- 4.4.1 The Board oversees the performance of the Group's businesses and operations by reviewing regular, comprehensive and up to date information from the Management on finance, operations, economic and market conditions. At the Management and operations meetings, business strategies, financial, operational and external business environment matters are discussed to formulate action plans to address key risk concerns. Direction of risk mitigation measures are finetuned, when required, to ensure action plans are appropriate and adequate in addressing risk factors. Therefore the Board is regularly updated on the status of contractual and financial commitments, risk management, internal controls and other matters.
- 4.4.2 Based on the risk based annual Audit Plan approved by the Audit Committee, the Internal Audit function carries out scheduled and follow up audits of key business and support divisions. Key audit matters, root cause(s), risk identification and implications, recommendations and management's action plans to address the identified risks are reported to the Audit Committee and Management. Hence the outcome of these audit engagements provide the Board with an independent and balanced assurance on the adequacy and effectiveness of the risk management and internal control environment.
- 4.4.3 The Group's policies and procedures are subject to periodic review and update by the Management, operational and support divisions to factor in any changes in business, operational, statutory and regulatory requirements with the changing risk environment.

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

5.0 REVIEW BY INTERNAL AUDITOR

Group Internal Audit independently reviews the internal controls to provide the Audit Committee with sufficient assurance that the system of internal control are effective to address the risks identified. This department carries out the function in accordance with the code of ethics and standards set by the International Professional Practices Framework (IPPF) issued by the Institute of Internal Audits and where applicable, reference is made to the standards and statements issued by international accounting and professional bodies.

6.0 REVIEW BY EXTERNAL AUDITOR

For the financial year ended 31 March 2024, the External Auditors had performed a limited assurance engagement to report on this Statement on Risk Management and Internal Control for inclusion in the Annual Report. They had reported to the Board that to their best knowledge, nothing came to their attention to believe that this Statement prepared was inconsistent in all material aspects based on the disclosures required by Paragraph 41 and 42 of the Statement on Risk Management and Internal Control – Guidelines for Directors of Listed Issuers to be set out, nor is the Statement factually inaccurate.

In accordance with the Malaysian Approved Standards on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagements Other than Audits or Review of Historical Financial Information and AAPG3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report does not require the External Auditors to consider if the Directors' Statement on Risk Management and Internal Controls covers all risks and controls, or to form an opinion on the effectiveness of the Group's risk and control procedures including the assessment and opinion by the Board of Directors and Management thereon. They are also not required to consider if the said processes reported to manage the key internal control aspects of any potential significant matters as described in the Annual Report will in fact remedy the matters.

7.0 CONCLUSION

For the financial year under review, based on evaluation of the reasonable assurances from the Chief Executive Officer, Chief Financial Officer and other relevant assurance providers, the Board is of the view that, the prevailing risk management and internal control system is operating satisfactorily in all material aspects, with improvement opportunities. Nevertheless the Board recognises that the risk management and internal control system must continuously evolve in tandem with the changes and challenges in the external business environment from time to time.

Therefore the Board and the Management shall continue to review and implement appropriate measures to reinforce the risk management and internal control environment of the Group.

This Statement was approved by the Board of Directors on 29 July 2024.

SUSTAINABILITY STATEMENT

ABOUT THIS STATEMENT

We have prepared this statement in accordance with Bursa Malaysia Securities Berhad’s Main Market Listing Requirements and with guidance from its Sustainability Reporting Guide (3rd Edition).

REPORTING SCOPE AND BASIS

Business Divisions covered under this report are:

Division	Properties/Projects
Hotel	<ul style="list-style-type: none"> Avillion Port Dickson, Negeri Sembilan Avillion Admiral Cove, Port Dickson, Negeri Sembilan Note: The revenue from these two hotels represented 96% of the Hotel Division’s total revenue from 1 April 2023 to 31 March 2024.
Property	<ul style="list-style-type: none"> Admiral Marina & Leisure Club Desa Impian, Bandar Tenggara, Kota Tinggi, Johor
Travel	<ul style="list-style-type: none"> Singapore and Hong Kong Business operation
Corporate	Kuala Lumpur, Federal Territory

Other business operations or assets deemed to be of minimal significance or non-revenue generating are not included in this report.

This statement refers to the financial period from 1 April 2023 to 31 March 2024.

All data collection in this statement are verified by the respective management team of the business division and review by the Management and approved by the Board of Directors.

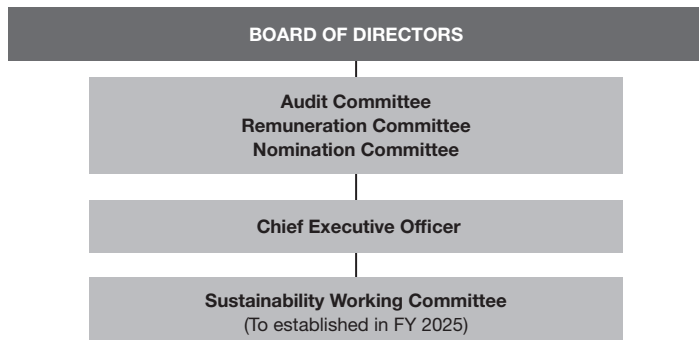
We welcome feedback or suggestions from our stakeholders to improve on this statement info@avillionberhad.com.

SUSTAINABILITY GOVERNANCE STRUCTURE

Sustainability is a core value at Avillion. The Board of Directors plays a crucial role in driving sustainability initiatives across the organisation. The Board acknowledges the need to balance its business sustainability with responsible environmental and social consideration. The Group’s ultimate goal towards achieving its business objectives is to operate its businesses in an economically, environmentally and socially responsible manner with effective governance structure and business ethics in the stakeholders’ interests. The stakeholders comprise namely, shareholders, customers, employees, bankers, suppliers and contractors, government and regulatory authorities.

The Board is supported by various committees, such as the Audit, Remuneration and Nomination Committees, which assist in monitoring organisational performance, enhancing risk management and strengthening internal controls.

To further streamline its sustainability efforts, Avillion is in the process of forming a dedicated Sustainability Working Committee. This committee will concentrate specifically on the company’s sustainability or ESG-related objectives, policies and practices.



Sustainability Statement

(Cont'd)

STAKEHOLDER ENGAGEMENT

All stakeholders' interests form an integral part of the Group's sustainability initiatives. The stakeholder groups comprise those parties who are directly or indirectly impacted by its business operations or can significantly impact the business operations.

The effectiveness of the sustainability initiatives is dependent on whether the needs of the diverse stakeholder groups can be assessed and successfully addressed. Therefore, ongoing engagement activities with the stakeholders are carried out to understand their insights and how their concerns can be addressed to reinforce the sustainability measures. Stakeholders are provided with up-to-date information to enable them to understand the Group's challenges, ongoing initiatives and objectives with greater clarity.

A summary of the engagement activities held with the respective stakeholders and the Group's responses is as follows:-

Stakeholder	Engagement Approach	Engagement Frequency	Stakeholder Expectations	Group's Responses / Initiatives
a) Shareholders & Investors	<ul style="list-style-type: none"> Corporate website Annual & quarterly reports Corporate announcements Annual General Meeting Extraordinary General Meeting 	<ul style="list-style-type: none"> Quarterly Annual As required 	<ul style="list-style-type: none"> Financial performance & transparency Business sustainability Corporate governance Market position & industry reputation 	<ul style="list-style-type: none"> Improve growth trajectory to generate sustainable financial returns Adopt best practices in corporate governance & social responsibility Shareholder & investor engagement
b) Financiers	<ul style="list-style-type: none"> Corporate website Annual & quarterly reports Corporate announcements Institutional briefings & presentations 	<ul style="list-style-type: none"> Quarterly Annual As required 	<ul style="list-style-type: none"> Financial performance & transparency Business sustainability Corporate governance Market position & industry reputation Financier relationship management 	<ul style="list-style-type: none"> Business strategy management, risk assessment & responsible business practices to improve financial performance & sustainable returns

Sustainability Statement

(Cont'd)

STAKEHOLDER ENGAGEMENT (CONT'D)

Stakeholder	Engagement Approach	Engagement Frequency	Stakeholder Expectations	Group's Responses / Initiatives
c) Customers (Existing & Potential)	<ul style="list-style-type: none"> Corporate website Customer relationship management Customer satisfaction survey / feedback system Multiple channels (eg. meetings, events, social media) 	<ul style="list-style-type: none"> Ongoing 	<ul style="list-style-type: none"> Market position & industry reputation Product and service innovation, quality & delivery standards money Customer satisfaction Effective resolution of complains & improvements Customer safety, property security & data protection 	<ul style="list-style-type: none"> Performance oriented & service excellence in improving guest experience & satisfaction Events / competitions Online / offline communication channels
d) Employees	<ul style="list-style-type: none"> Annual performance review Training requirement analysis Management meetings Multiple channels (e.g. meetings, events, departmental briefing, training, team building activities) 	<ul style="list-style-type: none"> Ongoing 	<ul style="list-style-type: none"> Financial performance & business direction Market position & industry reputation Remuneration, benefits & incentives Training & career development Occupational safety & security 	<ul style="list-style-type: none"> Performance oriented appraisal to inculcate competent work culture Staff training & development Meetings / dialogue sessions for employee engagement & feedback Safe working environment
e) Suppliers / Contractors	<ul style="list-style-type: none"> Corporate website Supplier evaluation Quotation request Tender / bidding Multiple channels (eg. site visits, meetings) 	<ul style="list-style-type: none"> Ongoing 	<ul style="list-style-type: none"> Financial performance & business direction Market position & industry reputation Ethical & efficient supplier management & collection system 	<ul style="list-style-type: none"> Manage suppliers & service providers responsibly Transparent purchasing / procurement policies & procedures Online / offline communication channels

Sustainability Statement

(Cont'd)

STAKEHOLDER ENGAGEMENT (CONT'D)

Stakeholder	Engagement Approach	Engagement Frequency	Stakeholder Expectations	Group's Responses / Initiatives
f) Regulatory / Government Authorities	<ul style="list-style-type: none"> Corporate website Reporting Multiple channels (eg. consultations, meetings, seminars, forums) 	<ul style="list-style-type: none"> Periodically As required 	<ul style="list-style-type: none"> Financial performance & business direction Market position & industry reputation Compliance with regulatory / government authorities' requirements Regulatory disclosures Support government policies & initiatives 	<ul style="list-style-type: none"> Annual Report Compliance with regulatory requirements
g) Associations / Media / Local Communities	<ul style="list-style-type: none"> Corporate website Multiple channels (eg. meetings, events, social media) 	<ul style="list-style-type: none"> Periodically As required 	<ul style="list-style-type: none"> Market position & industry reputation Association & community engagement & support Eco centric corporate social responsibility 	<ul style="list-style-type: none"> Participation in association events & sponsorship programs Social contribution, community service programs & sports events

ASSESSMENT OF MATERIAL SUSTAINABILITY MATTERS

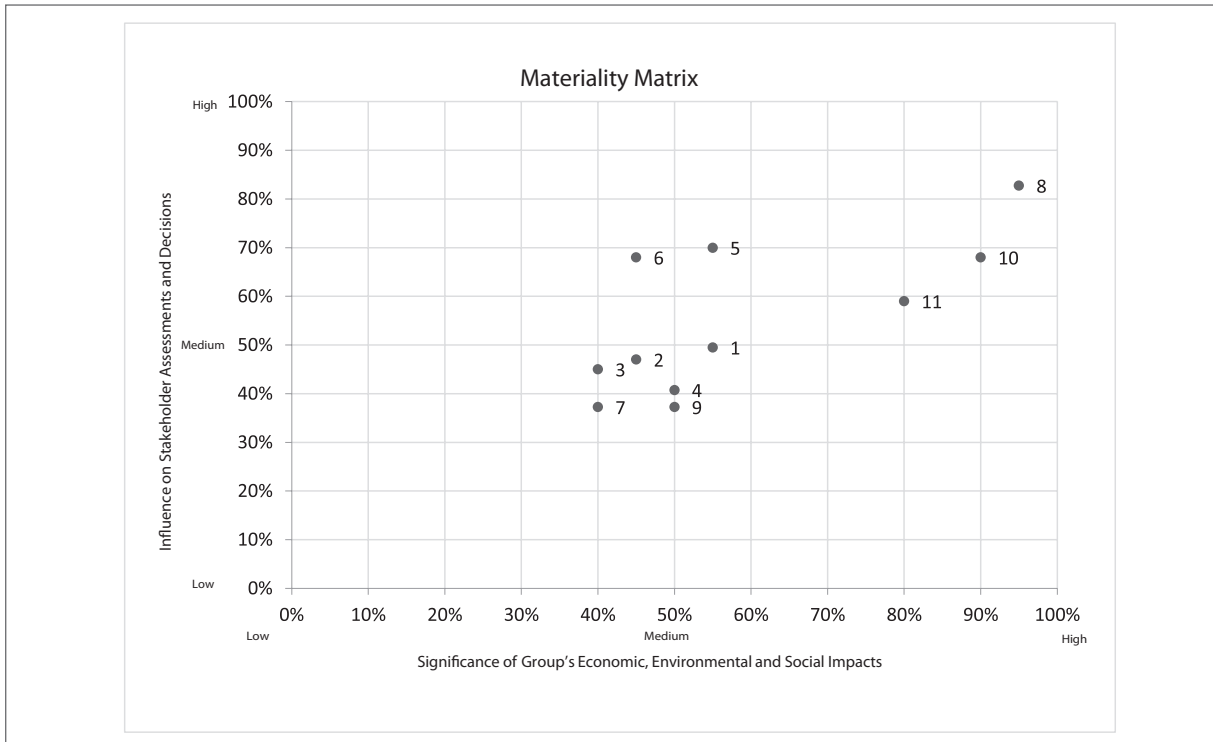
Materiality assessment is a crucial and ongoing aspect of sustainability management. The Management and respective division heads conduct evaluation of key sustainability areas, risks and opportunities annually or when required to assess areas of improvement in comparison with previous years based on the changing business and risk environment, internal policies, regulatory developments and stakeholders' feedback.

With the Board's continuing support and the Management's encouraging commitment, the renewed materiality assessment enables the Group to be mindful of the diverse stakeholder expectations and concerns to ensure sustainable value creation. In the pursuit of business objectives and growth, the Group adopts a precautionary approach to minimise any negative environmental and social impact arising.

Sustainability Statement (Cont'd)

ASSESSMENT OF MATERIAL SUSTAINABILITY MATTERS (CONT'D)

The material sustainability matters were ranked based on the relative importance of material matters to the Group's business operation and to its stakeholders. The Group's materiality matrix was derived based on the ranking of the material sustainability matters.



		
Environmental	Social	Governance
<ul style="list-style-type: none"> (1) Energy Management (2) Water Management (3) Waste Management 	<ul style="list-style-type: none"> (4) Diversity Equality & Inclusion (5) Health and Safety (6) Labour Practices and Standards (7) Community Investment 	<ul style="list-style-type: none"> (8) Economic Performance (9) Supply Chain Management (10) Business Integrity & Anti-Corruption (11) Data Privacy and Security

Sustainability Statement (Cont'd)



ENVIRONMENTAL

ENERGY MANAGEMENT

Why material to us

Efficient energy management has a direct impact on sustainability and create a positive impact on the air and water quality and climate change.

Energy cost can take out a significant portion of our bottom line. Implementing energy-efficient measures in our hotel properties can lead to financial and environment benefits.

We aim to reduce energy use and greenhouse gas (GHG) emissions as part of our commitment to operating efficiency and maintaining our reputation as a socially responsible organisation.

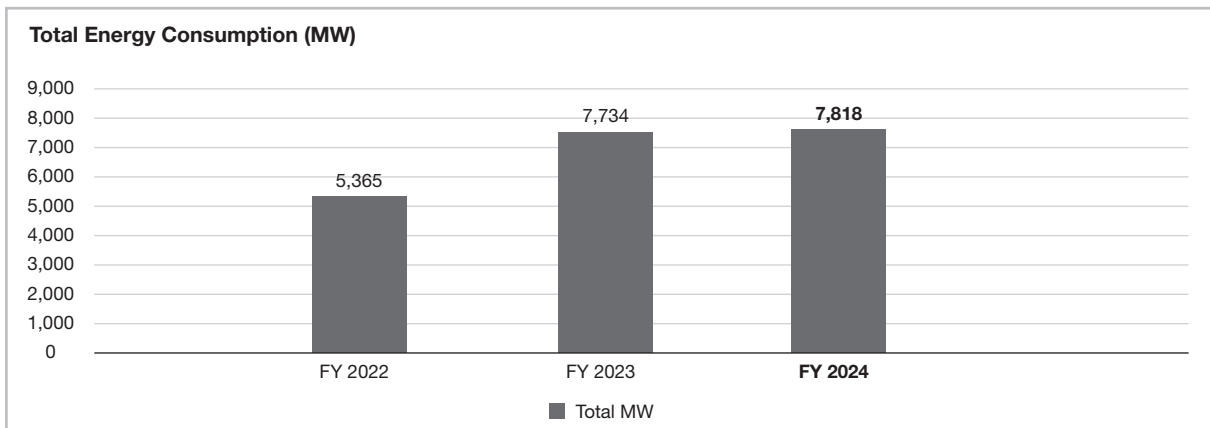
Our approach

The majority of our energy consumption is from our hotels. For FY 2023 and 2024, electricity consumption rose due to revitalised business activities and increased occupancy in our hotels following the post-Covid recovery.

Despite this, we remain firmly committed to reducing our energy consumption and continually seeking ways to enhance efficiency. Measures taken include embarked on a programme to change all the light bulbs used in our hotel and corporate office from regular light bulbs to energy saving light bulbs. Lower energy consumption equates to less energy and resources wasted in the day-to-day running of our hotels.

We have taken step to change workplace energy culture and encourage our employees to adopt sustainable practices and conserve electricity.

We are also exploring renewable energy production for our properties for its suitability and feasibility.



Sustainability Statement

(Cont'd)

WATER MANAGEMENT

Why material to us

Water is important for our business. We use water for facility maintenance, cooling systems, sanitation, cooking and leisure activity.

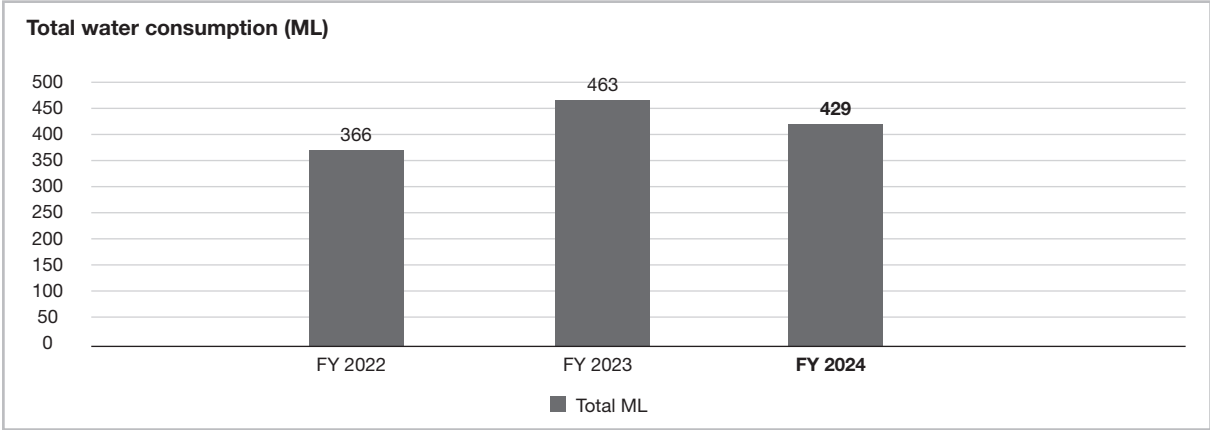
Effective water management has a direct impact on sustainability and helps to ensure the continued availability of this resources for business needs.

We aim to implement effective water conservation measures as part of our commitment to contributes to sustainability goals and maintaining our reputation as a socially responsible organisation.

Our approach

Majority of our water consumption is from our hotels. For FY 2023, water consumption rose due to revitalised business activities and increased occupancy in our hotels following the post-Covid recovery.

Our hotels have introduced various means to restrain water usage. These involved the installation of water-saving flush systems and other water-saving devices. Our hotel also encourages guests to reuse towels and linen to reduce water consumption.



WASTE MANAGEMENT

Why material to us

Effective waste management practices contribute to cost reduction and operational efficiency by minimizing waste generation and implementing recycling programs. As such, companies can reduce disposal costs and optimize resource utilization.

Our dedication to proper waste disposal is unwavering, as we strive to safeguard our natural resources and ensure the well-being of our communities through vigilant and sustainable practices.

Our approach

We recognise the significance of our waste generation and its environmental impact. The Group remains committed to minimise waste through the implementation of sustainable waste management practices. To mitigate waste generation, the Group’s waste management strategy prioritizes minimizing the use of plastics and paper wherever feasible.

We advocate for the principles of reduce, reuse and recycle which form the cornerstone of our efficient waste management strategy.

We plan to conduct stricter monitoring and data collection of our waste management practices and outputs in FY2025. This will enable us to compile a comprehensive data for reporting and to implement initiatives based on data obtained.

Sustainability Statement (Cont'd)



SOCIAL

DIVERSITY, EQUALITY AND INCLUSION

Why material to us

Avillion embraces diversity at the Board level and in the workforce. A diverse workplace boost innovation and creativity within an organization. This diversity of talent means a broader range of skills among employees and a variety of experiences and perspectives, which increases the potential for increased productivity, improvement in overall business performance and enhance our business reputation.

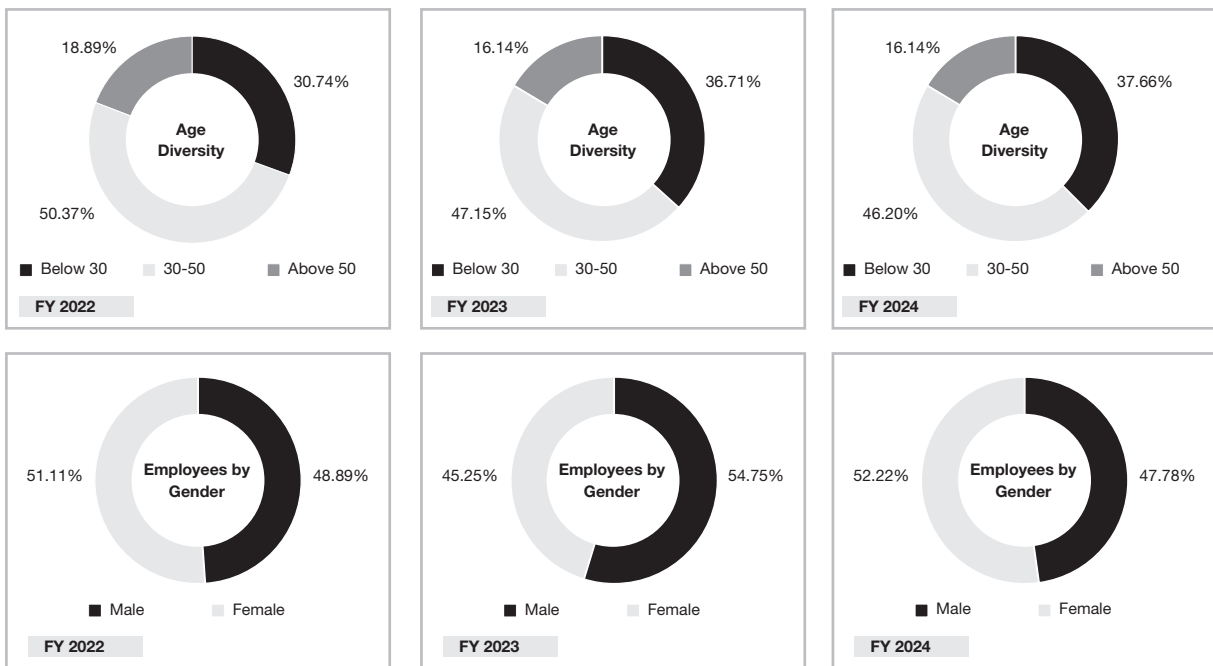
Our approach

We are mindful that a diverse and inclusive workforce is vital for our business growth and sustainability.

Our employees are hired based on merit and credibility. We do not condone any form of discrimination based on personal characteristics such as gender, race, religion, age and marital status.

We are unwavering in our commitment to maintain a harmonious relationship with our employees and are guided by our policies such as Human Resources Policy and Code of Conduct and Business Ethics Policy.

Employee breakdown by age and gender

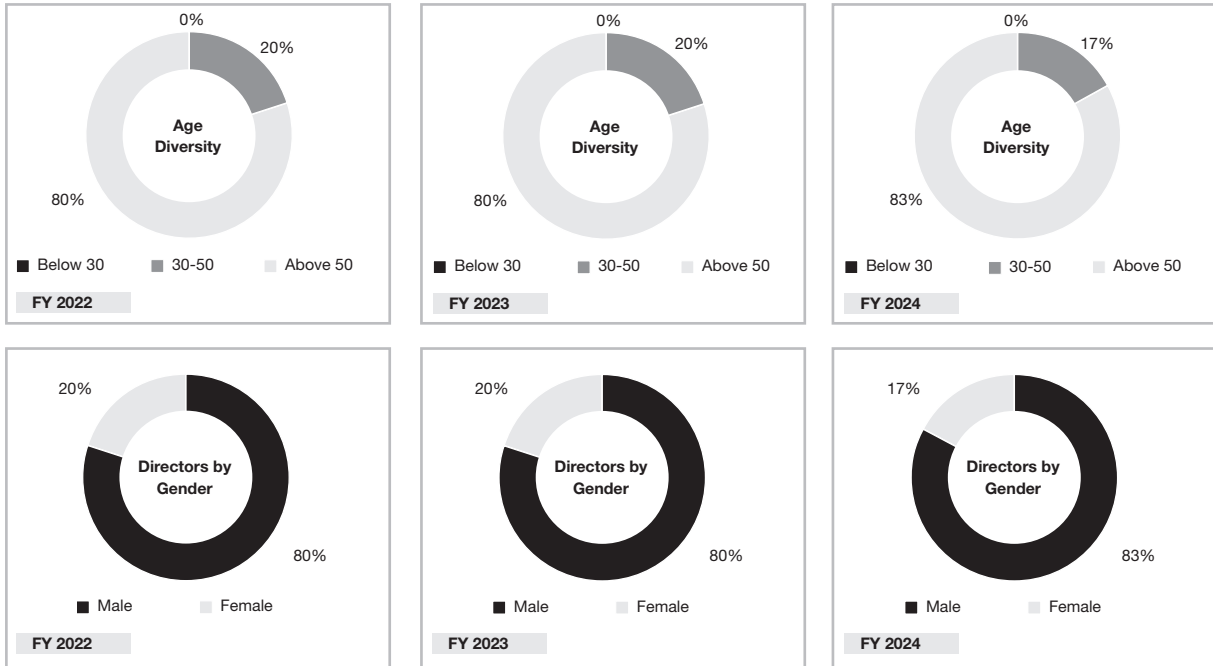


Note: the above data is based on data recorded at the end of the financial year.

Sustainability Statement (Cont'd)

DIVERSITY, EQUALITY AND INCLUSION (CONT'D)

Director breakdown by age and gender



HEALTH AND SAFETY

Why material to us

The Group prioritise the health and safety of our employees by providing a safe, healthy and conducive working environment. This will ultimately lead to the increase in efficiency and productivity.

Our approach

We place emphasis on the health and safety aspects of our employees. We maintain a conducive work environment to ensure the safety of the workplace and free from any disruptive influence due to internal and external conditions.

To promote occupational health and safety awareness, safety training programmes was organised on regular basis.

We recognise the important of positive lifestyle, we promoting sports and cultivate teamwork amongst employees through recreational events and sports activities.

Incident rate and training provided

	Measurement unit	FY 2022	FY 2023	FY 2024
Number of work-related fatalities	Number	0	0	0
Lost time incident rate ("LTIR")	Rate	N/A	N/A	0.67
Number of employees trained on health and safety standards	Number	0	64	58

Sustainability Statement

(Cont'd)

LABOUR PRACTICE AND STANDARDS

Why material to us

The Group believes that our workforce is our greatest asset. Building employee capability is a key focus for our business. We allocate resources to learning and development initiatives and ensure it aligns with our business requirement.

Our approach

We organised a wide range of service and functional skills training activities for all grade of employee. Leadership development programmes are also offered at various levels, assisting staff to achieve their grow within the organisation.

The Group provides orientation programmes for new hotel employees. Orientation is conducted every fortnight at the hotel level. A monthly briefing session will be conducted for our hotel employee to refresh their product knowledge and latest progress in the Group and hotel management.

By Employee Category	No. of Training Hours		
	FY 2022	FY 2023	FY 2024
Management	-	192	78
Executive	192	1,569	562
Non-Executive	640	944	912

Our employee's benefit adheres to the Employment Act 1955 and extend beyond including various allowances, medical coverage and insurance benefits.

Employee turnover can be costly for companies in terms of lost productivity, recruitment and training costs. We regularly monitor employee turnover rates in order to better understand the reasons for turnover in order to develop strategies to retain employees such as creating a positive work culture and providing opportunities for growth and development.

By Employee Category	Staff Turnover (Number)		
	FY 2022	FY 2023	FY 2024
Management	0	2	5
Executive	31	18	30
Non-Executive	92	113	109

There were no substantiated complaint concerning human right violation from all levels of employees.

	FY 2022	FY 2023	FY 2024
Number of substantiated complaints concerning human rights violations	0	0	0

We wish to share the Group's utilisation of contractors and temporary staff as part of our human capital management.

	FY 2022	FY 2023	FY 2024
Percentage of employees that are contractors or temporary staff	18%	15%	17%

Sustainability Statement (Cont'd)

COMMUNITY & SOCIETY

Why material to us

As a responsible organisation, we strive to contribute and cared for the communities in which we operate.

Our approach

The Group has a long-standing relationship with the local communities where we do our business. Our hotels have always cared for and celebrate with the local communities, especially the needy.

It has been a tradition of Avillion Port Dickson and Avillion Admiral Cove in Port Dickson to organise Corporate Social Responsibility (CSR) programmes annually. We continuously encourage our people to get involved in our CSR programmes, to make an impact to the communities around us.

Below are the CSR programmes executed throughout the last 3 financial years:



22 April 2021

Hosted a Majlis Berbuka Puasa for 40 children from Rumah Anak-Anak Yatim - Peyakin . The children were also given duit raya and goodie bags.



19 April 2022

Hosted a Majlis Berbuka Puasa for 82 children from Rumah Asnaf Murni, Ara Sendayan. The children were also given duit raya and goodie bags.



21 December 2022

Christmas Home visit and celebration with 40 children at Shekinah Care Centre Rasah, Seremban. The children were also given goodie bags.



13 April 2023

Hosted a Majlis Berbuka Puasa for 56 children from Rumah Asnaf Murni, Ara Sendayan. The children were also given duit raya and goodie bags.



14 December 2023

Christmas Home visit and celebration with 39 children at Shekinah Care Centre Rasah, Seremban. The children were also given goodie bags.



14 March 2024

Hosted a Majlis Berbuka Puasa for 30 children from Rumah Anak Yatim Darul Aminan, Ampangan. The children were also given duit raya and goodie bags.

Sustainability Statement

(Cont'd)

COMMUNITY & SOCIETY (CONT'D)

CSR investment

	Measurement unit	FY 2022	FY 2023	FY 2024
Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	2,000	4,000	6,000
Total number of beneficiaries of the investment in communities	Number	0	122	125



GOVERNANCE

ECONOMIC PERFORMANCE

Economic performance is crucial to achieving sustainable value and advancing our sustainability goals.

During the financial year ended 31 March 2024 (FY 2024), the Group achieved RM73 million in revenue. Through the concerted efforts of all levels in the Group, the Group has reduced its losses to Rm5.5 million as compared to FY 2021 and FY 2022. The Group's historical summary of financial performance is disclosed in the 5-year Financial Highlights section of this Annual Report.

Moving forward, we remain committed to optimise our financial performance while advancing ESG objectives.

SUPPLY CHAIN MANAGEMENT

Avillion is committed to fostering a sustainable supply chain that supports local economy and community development. By engaging local suppliers, we contribute to the economic value and growth of local communities, demonstrating the company's commitment to sustainability development.

Throughout the financial year under review, our hotels supported local suppliers, with 93% of their total spending being on suppliers from within Malaysia.

ANTI-CORRUPTION AND WHISTLEBLOWING

Business ethics and compliance is our paramount focus. Avillion maintains a strict zero-tolerance policy against bribery and corruption. Our vendors and suppliers are made aware of our Anti-Bribery & Anti-Corruption policy and are requested to acknowledge the Policy.

To raise awareness, we communicate our Anti-Bribery & Anti-Corruption policy and Whistleblowing policy to all employee via multiple channel which include physical posters in all offices, Avillion Berhad website and staff briefing. We have also provided a dedicated phone line for directors and employees to raise concerns or disclose any wrongdoing that may adversely impact the Group in year 2024.

There were no corruption-related cases or wrong doing cases reported during the financial year under review.

Sustainability Statement (Cont'd)

DATA PRIVACY AND SECURITY

We are committed to safeguard our guests' personal information and upholding individual's right to privacy. Safeguarding personal data is crucial for ensuring compliance with all applicable laws and regulations.

Our Group has implemented the following enhanced security controls across its hotel properties and offices over the last few years:

- a) Anti-Virus controls
- b) Password controls
- c) Email security controls
- d) Domain name system
- e) Perimeter firewall
- f) Backup and restoration protocols
- g) Remote access controls
- h) Web surfing protection

There are no substantiated complaints concerning breaches of customer privacy and loss of customer data over the last 3 years.

PERFORMANCE DATA TABLE

INDICATOR	MEASUREMENT UNIT	FY 2024
ENVIRONMENTAL		
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	7,818
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	429
SOCIAL		
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	0%
Management Between 30-50	Percentage	28%
Management Above 50	Percentage	72%
Executive Under 30	Percentage	7%
Executive Between 30-50	Percentage	68%
Executive Above 50	Percentage	25%
Non-executive/Technical Staff Under 30	Percentage	50%
Non-executive/Technical Staff Between 30-50	Percentage	41%
Non-executive/Technical Staff Above 50	Percentage	9%

Sustainability Statement

(Cont'd)

PERFORMANCE DATA TABLE (CONT'D)

INDICATOR	MEASUREMENT UNIT	FY 2024
SOCIAL		
Bursa (Diversity)		
Gender Group by Employee Category		
Management Male	Percentage	33%
Management Female	Percentage	67%
Executive Male	Percentage	60%
Executive Female	Percentage	40%
Non-executive/Technical Staff Male	Percentage	45%
Non-executive/Technical Staff Female	Percentage	55%
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	83%
Female	Percentage	17%
Under 30	Percentage	0%
Between 30-50	Percentage	20%
Above 50	Percentage	80%
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.67
Bursa C5(c) Number of employees trained on health and safety standards	Number	58
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	78
Executive	Hours	562
Non-executive/Technical Staff	Hours	912
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	17%
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	5
Executive	Number	30
Non-executive/Technical Staff	Number	109
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	6,000
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	125

Sustainability Statement

(Cont'd)

PERFORMANCE DATA TABLE (CONT'D)

INDICATOR	MEASUREMENT UNIT	FY 2024
GOVERNANCE		
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	93
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	100
Executive	Percentage	100
Non-executive/Technical Staff	Percentage	100
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	90
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0

CONCLUSION

The sustainability challenge for the Group is to ensure that the sustainability activities remain undisrupted regardless of changes in the business operating environment and promote a harmonized way of working towards sustainable development. Moving forward, the Group will continue to explore and implement sustainable business practices and processes, as appropriate, to safeguard shareholders' interests and deliver practical and tangible outcomes.

STATEMENT OF ASSURANCE

The Sustainability Statement has been reviewed by our Internal Auditor.

STATEMENT OF DIRECTORS' RESPONSIBILITY

The Directors of the Company are required to prepare the financial statements for each financial year which give a true and fair view of the financial position and financial performance of the Company and the Group.

The Directors are responsible for ensuring that the Company and the Group keep proper accounting records to enable the Company and the Group to disclose, with reasonable accuracy and without any material misstatement, the financial position of the Company and the Group as at 31 March 2024 and the financial performance and cash flows of the Company and the Group for the financial year ended on that date.

In preparing the financial statements for the financial year ended 31 March 2024, the Directors have:

- a) adopted the relevant and appropriate accounting policies consistently;
- b) made judgments and estimates that are reasonable and prudent;
- c) adopted applicable accounting standards, subjects to any material departures, if any, which will be disclosed and explained in the financial statements; and
- d) prepared the financial statements on the assumption that the Company and the Group will operate as going concern.

In assessing the adequacy and effectiveness of the system of internal control and accounting control procedures of the Group, the Audit Committee reports to the Board its activities, significant results, findings and the necessary recommendations or changes.

This Statement of Directors' Responsibility has been approved by the Board of Avillion Berhad on 29 July 2024.

REPORTS AND FINANCIAL STATEMENTS

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DIRECTORS' REPORT

DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services.

The principal activities of its subsidiaries include hotel and resort management, development of hotels, resort and tourism related projects, operating and managing spa and health centre, property development, investment and property holding, operation of marina club including berthing facilities, travel services and tours, advertising and media services and administrative and provision of information technology products and services.

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

RESULTS

	Group RM'000	Company RM'000
Loss for the financial year, net of tax	(5,551)	(6,814)
Attributable to:		
Owners of the Company	(5,756)	(6,814)
Non-controlling interests	205	-
	<u>(5,551)</u>	<u>(6,814)</u>

DIVIDENDS

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

The directors do not recommend the payment of any dividends in respect of the financial year ended 31 March 2024.

RESERVES OR PROVISIONS

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

Directors' Report (Cont'd)

BAD AND DOUBTFUL DEBTS

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

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

CURRENT ASSETS

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

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

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

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

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

CHANGE OF CIRCUMSTANCES

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

Directors' Report (Cont'd)

ITEMS OF MATERIAL AND UNUSUAL NATURE

In the opinion of the directors, except as disclosed in the financial statements,

- (i) the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

AUDITORS' REMUNERATION AND INDEMNITY

The auditors' remuneration of the Group and the Company during the financial year were RM336,000 and RM68,000 respectively.

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

ISSUE OF SHARES AND DEBENTURES

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

OPTIONS GRANTED OVER UNISSUED SHARES

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

DIRECTORS

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

Tan Sri Dato' Sri Dr. Samsudin Bin Hitam
Datin Norizan Binti Idris
Stephen Geh Sim Whye
Taufiq Bin Abdul Khalid
Rungit Singh A/L Jaswant Singh
Fong Wai Leong

(Appointed on 12 October 2023)

Directors' Report (Cont'd)

DIRECTORS (CONTINUED)

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

Chan Mei Han	
Mohammed Suhaimi Bin Yaacob	
Ahmad Nizam Bin Mohamed Amin	
Muhammad Azrul Bin Abdul Hamid	
Chin Qian Hui	(Appointed on 2 June 2023)
Mohd Amzar Bin Mohd Azhar	(Appointed on 2 June 2023)
Chong Set Fui	(Resigned on 8 July 2024)

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, none of the directors in office at the end of the financial year had any interest in ordinary shares or debentures of the Company and its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no directors of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown below) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, other than any deemed benefit which arise from transactions as shown below.

The directors' benefits of the Group and of the Company were as follows:

	Group RM'000	Company RM'000
Directors of the Company		
Executive director:		
- Salaries	98	98
- Other emoluments	4	4
- Defined contribution plans	12	12
	114	114
Non-executive directors:		
- Fees	209	209
- Other emoluments	48	48
	257	257
	371	371

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

Directors' Report (Cont'd)

INDEMNITY TO DIRECTORS AND OFFICERS

During the financial year, the total amount of indemnity coverage and insurance premium paid for the directors and certain officers of the Company were RM20,000,000 and RM44,000 respectively.

SUBSIDIARIES

The details of the Company's subsidiaries are as follows:

Name of company	Principal place of business/ Country of incorporation	Effective equity interest		Principal activities
		2024 %	2023 %	
Subsidiaries				
<u>Hotel Division</u>				
Direct subsidiaries				
Fortune Valley Sdn. Bhd.	Malaysia	100	100	Development and management of hotels
Avillion Hotel Group Sdn. Bhd.	Malaysia	100	100	Hotel and resort management
Indirect subsidiaries held through Avillion Hotel Group Sdn. Bhd.				
Avillion Hotels International Sdn. Bhd.	Malaysia	100	100	Hotel and resort management
Avi Spa Sdn. Bhd.	Malaysia	100	100	Operate and manage spa and health centre
Avillion Suite Hotel (PD) Sdn. Bhd.	Malaysia	100	100	Provision of management services for hotel suites and service apartments
Avillion Vista Hotel Sdn. Bhd.	Malaysia	100	100	Provision of management services for hotel suites and service apartments
Avillion Hotel (KL) Sdn. Bhd.	Malaysia	100	100	Provision of marketing for resorts and hotels
PT Avillion Indonesia #	Indonesia	100	100	Management and advisory consultancy in hotel, property and tourism industry

Directors' Report (Cont'd)

SUBSIDIARIES (CONTINUED)

The details of the Company's subsidiaries are as follows (continued):

Name of company	Principal place of business/ Country of incorporation	Effective equity interest		Principal activities
		2024 %	2023 %	
Subsidiaries (continued)				
<u>Property Division</u>				
Direct subsidiary				
RPB Development Sdn. Bhd	Malaysia	100	100	Hotel and resort development
Indirect subsidiaries held through RPB Development Sdn. Bhd.				
Mela Lifestyle Sdn. Bhd.	Malaysia	100	100	Property development
Meridian Haven Sdn. Bhd.	Malaysia	100	100	Investment holding
Nesline Sdn. Bhd.	Malaysia	100	100	Investment holding
Festive Place Sdn. Bhd.	Malaysia	100	100	Development and management of tourism related projects and property investment
Admiral Cove Development Sdn. Bhd.	Malaysia	80	80	Property and resort development
Admiral Hill Hotel Sdn. Bhd.	Malaysia	80	80	Property and resort development
Indirect subsidiaries held through Meridian Haven Sdn. Bhd.				
Golden Envoy (M) Sdn. Bhd.	Malaysia	100	100	Property development
Indirect subsidiaries held through Nesline Sdn. Bhd.				
Taman Unik Sdn. Bhd.	Malaysia	100	100	Investment holding
Indirect subsidiaries held through Festive Place Sdn. Bhd.				
Vast Access Sdn. Bhd.	Malaysia	100	100	Investment and property holding

Directors' Report (Cont'd)

SUBSIDIARIES (CONTINUED)

The details of the Company's subsidiaries are as follows (continued):

Name of company	Principal place of business/ Country of incorporation	Effective equity interest		Principal activities
		2024 %	2023 %	
Subsidiaries (continued)				
<u>Property Division (continued)</u>				
Indirect subsidiaries held through Admiral Cove Development Sdn. Bhd.				
Admiral Marina Berhad	Malaysia	80	80	Operation of a marina club including berthing facilities
Genius Field Sdn. Bhd.	Malaysia	80	80	Investment holding
<u>Travel division</u>				
Direct subsidiaries				
RPB Holdings (Overseas) Limited	British Virgin Islands	100	100	Investment holding
Reliance E-Com Sdn. Bhd.	Malaysia	100	100	Investment company in relation to electronic commerce
Indirect subsidiaries held through Reliance E-Com Sdn. Bhd.				
Reliance Shipping & Travel Agencies (Perak) Sdn. Bhd.	Malaysia	100	100	Investment holding
Indirect subsidiaries held through RPB Holdings (Overseas) Limited				
Reliance Travel Agencies (S) Pte. Ltd *	Singapore	100	100	Travel services, outbound tours and other related services
Vacation Singapore DMC Pte. Ltd *	Singapore	100	100	Travel services, outbound tours and other related services
Reliance Travel (Hong Kong) Limited *	Hong Kong	100	100	Travel services and tours
Vacation Asia (HK) Limited *	Hong Kong	100	100	Travel services and tours

Directors' Report (Cont'd)

SUBSIDIARIES (CONTINUED)

The details of the Company's subsidiaries are as follows (continued):

Name of company	Principal place of business/ Country of incorporation	Effective equity interest		Principal activities
		2024 %	2023 %	
Subsidiaries (continued)				
<u>Support companies</u>				
Direct subsidiary				
RPB Capital Holdings Sdn. Bhd. *	Malaysia	100	100	Investment holding
Indirect subsidiaries held through RPB Capital Holdings Sdn. Bhd.				
Avi Agro Sdn. Bhd. * (Formerly known as Read Advertising Sdn. Bhd.)	Malaysia	100	100	Advertising and media services
OS Resources Sdn. Bhd. *	Malaysia	100	100	Office services, administrative and provision of information technology products and services and property investment

* Audited by auditors other than Baker Tilly Monteiro Heng PLT.

Companies not required to be audited in their countries of incorporation. The financial statements have been reviewed for consolidation purposes.

The available auditors' reports on the accounts of the subsidiaries did not contain any qualification.

AUDITORS

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

Directors' Report (Cont'd)

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

.....
TAN SRI DATO' SRI DR. SAMSUDIN BIN HITAM

.....
STEPHEN GEH SIM WHYE
Director

Kuala Lumpur

Date: 29 July 2024

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	5	194,371	174,832	52	99
Right-of-use assets	6(a)	55,138	49,692	-	-
Investment properties	7	2,133	2,329	-	-
Inventories	8	55,042	55,042	-	-
Intangible asset	9	8	-	-	-
Investment in subsidiaries	10	-	-	204,760	210,453
Trade and other receivables	11	-	-	-	-
Amount owing by subsidiaries	12(a)	-	-	7,812	4,687
Total non-current assets		306,692	281,895	212,624	215,239
Current assets					
Inventories	8	55,695	57,849	-	-
Trade and other receivables	11	6,096	7,001	10	20
Prepayments		531	1,080	7	1
Amount owing by subsidiaries	12(b)	-	-	711	648
Current tax assets		442	446	12	9
Cash and short-term deposits	13	5,989	10,824	2,338	6,816
Total current assets		68,753	77,200	3,078	7,494
TOTAL ASSETS		375,445	359,095	215,702	222,733

Statements of Financial Position

(Cont'd)

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	14	236,095	236,095	236,095	236,095
Reserves	15	(14,093)	(29,870)	(148,127)	(141,313)
		<u>222,002</u>	<u>206,225</u>	<u>87,968</u>	<u>94,782</u>
Non-controlling interests	10(a)	3,406	2,460	-	-
TOTAL EQUITY		<u>225,408</u>	<u>208,685</u>	<u>87,968</u>	<u>94,782</u>
Non-current liabilities					
Loans and borrowings	16	44,117	52,495	40,400	47,600
Deferred tax liabilities	17	38,385	33,045	-	-
Lease liabilities	6(b)	2,814	173	-	-
Amount owing to subsidiaries	12(a)	-	-	41,962	27,861
Total non-current liabilities		<u>85,316</u>	<u>85,713</u>	<u>82,362</u>	<u>75,461</u>
Current liabilities					
Loans and borrowings	16	34,436	37,420	22,269	25,126
Trade and other payables	18	24,244	21,890	6,688	6,105
Current tax liabilities		764	1,303	-	-
Contract liabilities	19	3,116	3,681	-	-
Lease liabilities	6(b)	2,161	403	-	-
Amount owing to subsidiaries	12(b)	-	-	16,415	21,259
Total current liabilities		<u>64,721</u>	<u>64,697</u>	<u>45,372</u>	<u>52,490</u>
TOTAL LIABILITIES		<u>150,037</u>	<u>150,410</u>	<u>127,734</u>	<u>127,951</u>
TOTAL EQUITY AND LIABILITIES		<u>375,445</u>	<u>359,095</u>	<u>215,702</u>	<u>222,733</u>

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

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue	20	72,987	66,653	810	660
Cost of sales	21	(29,484)	(26,027)	-	-
Gross profit		43,503	40,626	810	660
Other income		146	588	-	1,566
Selling and promotion expenses		(1,736)	(1,425)	-	-
Administrative expenses		(41,462)	(38,834)	(4,016)	(2,940)
Other expenses		(1)	(17)	(37)	-
Net impairment gain/(losses) on financial instruments		97	(104)	-	-
Operating profit/(loss)		547	834	(3,243)	(714)
Finance income	22	84	32	2,697	837
Finance costs	23	(6,139)	(6,160)	(6,268)	(4,963)
Loss before tax	24	(5,508)	(5,294)	(6,814)	(4,840)
Income tax expense	25	(43)	(108)	-	-
Loss for the financial year		(5,551)	(5,402)	(6,814)	(4,840)
Other comprehensive income/ (loss) for the financial year, net of tax:					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Revaluation of property, plant and equipment and right-of-use assets		21,463	4	-	-
		21,463	4	-	-
<i>Items that may be reclassified subsequently to profit or loss</i>					
Exchange differences on translation on foreign operations		811	465	-	-
Reclassification adjustments of exchange translation reserve upon deconsolidation of a subsidiary		-	(26)	-	-
		811	439	-	-
Other comprehensive income for the financial year		22,274	443	-	-
Total comprehensive income/ (loss) for the financial year		16,723	(4,959)	(6,814)	(4,840)

Statements of Comprehensive Income

(Cont'd)

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Loss attributable to:					
Owners of the Company		(5,756)	(4,762)	(6,814)	(4,840)
Non-controlling interests	10(a)	205	(640)	-	-
		<u>(5,551)</u>	<u>(5,402)</u>	<u>(6,814)</u>	<u>(4,840)</u>
Total comprehensive income/ (loss) attributable to:					
Owners of the Company		15,777	(4,319)	(6,814)	(4,840)
Non-controlling interests	10(a)	946	(640)	-	-
		<u>16,723</u>	<u>(4,959)</u>	<u>(6,814)</u>	<u>(4,840)</u>
Loss per ordinary share attributable to owners of the Company (sen):					
- Basic	26(a)	<u>(0.51)</u>	<u>(0.42)</u>		
- Diluted	26(b)	<u>(0.51)</u>	<u>(0.42)</u>		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

		Attributable to owners of the Company						
		Foreign currency			Non-controlling interests		Total equity	
		Share capital	Revaluation reserve	Accumulated losses	Sub-total	controlling interests	RM'000	
Note		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Group								
	At 1 April 2023							
	- As previously reported	236,095	9,234	(133,772)	206,225	2,460	208,685	
	- Change in comparative figures	-	(3,240)	2,641	-	-	-	
	Restated balance at 1 April 2023	236,095	5,994	(131,131)	206,225	2,460	208,685	
	Total comprehensive income/(loss) for the financial year							
	Loss for the financial year	-	-	(5,756)	(5,756)	205	(5,551)	
	Other comprehensive income for the financial year	-	811	-	21,533	741	22,274	
	Total comprehensive income/(loss)	-	811	(5,756)	15,777	946	16,723	
	Realisation of revaluation reserve							
	At 31 March 2024							
		236,095	6,805	(133,158)	222,002	3,406	225,408	

Statements of Changes In Equity (Cont'd)

Group	----- Attributable to owners of the Company -----						
Note	Share capital RM'000	Foreign currency translation reserve RM'000	Revaluation reserve RM'000	Accumulated losses RM'000	Sub-total RM'000	Non- controlling interests RM'000	Total equity RM'000
At 1 April 2022	236,095	8,795	98,385	(132,731)	210,544	3,100	213,644
- As previously reported	-	(3,240)	599	2,641	-	-	-
- Change in comparative figures	236,095	5,555	98,984	(130,090)	210,544	3,100	213,644
Restated balance at 1 April 2022							
Total comprehensive loss for the financial year	-	-	-	(4,762)	(4,762)	(640)	(5,402)
Loss for the financial year	-	-	-	-	-	-	-
Other comprehensive income for the financial year	-	439	4	-	443	-	443
Total comprehensive loss	-	439	4	(4,762)	(4,319)	(640)	(4,959)
Realisation of revaluation reserve	-	-	(3,721)	3,721	-	-	-
At 31 March 2023	236,095	5,994	95,267	(131,131)	206,225	2,460	208,685

Statements of Changes In Equity

(Cont'd)

	-- Attributable to owners of the Company --		
	Share capital RM'000	Accumulated losses RM'000	Total equity RM'000
Company			
At 1 April 2022	236,095	(136,473)	99,622
Total comprehensive loss for the financial year	-	(4,840)	(4,840)
At 31 March 2023	236,095	(141,313)	94,782
Total comprehensive loss for the financial year	-	(6,814)	(6,814)
At 31 March 2024	236,095	(148,127)	87,968

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Group		Company		
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash flows from operating activities					
Loss before tax		(5,508)	(5,294)	(6,814)	(4,840)
Adjustments for:					
Amortisation of intangible asset		4	-	-	-
COVID-19 related rent concessions income		-	(113)	-	-
Depreciation of:					
- investment properties		42	52	-	-
- property, plant and equipment		7,408	7,406	47	47
- right-of-use assets		2,867	2,332	-	-
Finance costs		6,139	6,160	6,268	4,963
Finance income		(84)	(32)	(2,697)	(837)
Gain on disposal of:					
- property, plant and equipment		-	(54)	-	-
- investment properties		(16)	(5)	-	-
Net unrealised foreign exchange loss		-	-	758	592
Net impairment gain/(losses) on financial instruments		(97)	104	-	-
Written off of:					
- amount owing by subsidiary		-	-	37	-
- investment in associates		-	-*	-	-
- property, plant and equipment		1	3	-	-*
- trade and other receivables		-	14	-	-
Waiver of amount owing to a subsidiary		-	-	-	(1,547)
Operating profit/(loss) before changes in working capital		10,756	10,573	(2,401)	(1,622)

Statements of Cash Flows

(Cont'd)

	Group		Company	
	2024	2023	2024	2023
Note	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities (continued)				
Operating profit/(loss) before changes in working capital, brought forward	10,756	10,573	(2,401)	(1,622)
Changes in working capital:				
Inventories	2,154	(528)	-	-
Trade and other receivables	1,002	(754)	10	(11)
Prepayments	549	(120)	(6)	(1)
Trade and other payables	2,354	212	583	62
Contract liabilities	(565)	2,564	-	-
Subsidiaries	-	-	11,892	11,164
Net cash from operations	<u>16,250</u>	<u>11,947</u>	<u>10,078</u>	<u>9,592</u>
Interest paid	(6,139)	(6,160)	(4,531)	(4,959)
Interest received	98	5	35	24
Income tax refunded	26	71	-	21
Income tax paid	(2,042)	(675)	(3)	(3)
Net cash from operating activities	<u>8,193</u>	<u>5,188</u>	<u>5,579</u>	<u>4,675</u>
Cash flows from investing activities				
Addition in intangible asset	(12)	-	-	-
Net change in cash held under sinking fund	(14)	27	-	-
Net placement of fixed deposits with licensed bank	(57)	142	-	-
Proceeds from disposal of property, plant and equipment	-	54	-	2
Purchase of property, plant and equipment (a)	(740)	(1,361)	- *	(17)
Proceeds from disposal of investment properties	170	168	-	-
Net cash used in investing activities	<u>(653)</u>	<u>(970)</u>	<u>-</u>	<u>(15)</u>

Statements of Cash Flows

(Cont'd)

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash flows from financing activities					
Drawdown of term loans	(b)	326	471	-	-
Net repayment of term loans	(b)	(4,800)	(4,250)	(4,800)	(4,250)
Net repayment of lease liabilities	(b)	(1,884)	(3,490)	-	-
Net repayment of hire purchase payable	(b)	(52)	(52)	-	-
Net repayment of revolving credit	(b)	(2,100)	(1,075)	(2,100)	(1,075)
Net cash used in financing activities		(8,510)	(8,396)	(6,900)	(5,325)
Net changes in cash and cash equivalents					
		(970)	(4,178)	(1,321)	(665)
Effects of exchange rate changes		800	429	-	-
Cash and cash equivalents at the beginning of the financial year		(13,955)	(10,206)	(5,110)	(4,445)
Cash and cash equivalents at the end of the financial year		(14,125)	(13,955)	(6,431)	(5,110)
Analysis of cash and cash equivalents:					
Cash and bank balances		5,332	5,580	2,338	2,172
Deposits with licensed banks		657	5,244	-	4,644
Bank overdrafts		(19,432)	(24,168)	(8,769)	(11,926)
Less:					
- Deposit pledged with licensed banks		(657)	(600)	-	-
- Cash held under sinking fund		(25)	(11)	-	-
		(14,125)	(13,955)	(6,431)	(5,110)

Statements of Cash Flows

(Cont'd)

(a) Purchase of property, plant and equipment

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Purchase of property, plant and equipment	740	1,361	- *	17
Cash payments on purchase of property, plant and equipment	740	1,361	- *	17

(b) Reconciliation of changes in liabilities arising from financing activities are as follows:

Group	At	Non-cash			Cash	At
	1.4.2023	Acquisition	Others	Drawdown	flows	31.3.2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Term loans	57,291	-	-	326	(4,800)	52,817
Lease liabilities	576	6,262	21	-	(1,884)	4,975
Hire purchase payable	56	-	-	-	(52)	4
Revolving credit	8,400	-	-	-	(2,100)	6,300
	66,323	6,262	21	326	(8,836)	64,096

Group	At	Non-cash			Cash	At
	1.4.2022	Acquisition	Others	Drawdown	flows	31.3.2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Term loans	61,070	-	-	471	(4,250)	57,291
Lease liabilities	4,071	217	(222)	-	(3,490)	576
Hire purchase payable	-	108	-	-	(52)	56
Revolving credit	9,475	-	-	-	(1,075)	8,400
	74,616	325	(222)	471	(8,867)	66,323

Statements of Cash Flows

(Cont'd)

(b) Reconciliation of changes in liabilities arising from financing activities are as follows (continued):

Company	At 1.4.2023 RM'000	Cash flows RM'000	At 31.3.2024 RM'000
Term loans	52,400	(4,800)	47,600
Revolving credit	8,400	(2,100)	6,300
	60,800	(6,900)	53,900

	At 1.4.2022 RM'000	Cash flows RM'000	At 31.3.2023 RM'000
Term loans	56,650	(4,250)	52,400
Revolving credit	9,475	(1,075)	8,400
	66,125	(5,325)	60,800

** Representing amount less than RM1,000.*

(c) Total cash outflows for leases

During the financial year, the Group had total cash outflows for leases of RM2,515,000 (2023: RM4,062,000).

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

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Avillion Berhad (“the Company”) is a public limited company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The registered office and the principal place of business of the Company are located at Unit 8E, Level 8, Wisma YPR, No.1, Lorong Kapar, Off Jalan Syed Putra, 58000 Kuala Lumpur.

The Company’s principal activities are investment holding and provision of management services. The principal activities of its subsidiaries are disclosed in Note 10 to the financial statements.

There have been no significant changes in the nature of the principal activities of the Company and its subsidiaries during the financial year.

The financial statements of the Group and of the Company were authorised for issuance by the Board of Directors in accordance with a resolution of the directors on 29 July 2024.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

2.2 Adoption of new MFRS and amendments to MFRSs

The Group and of the Company have adopted the following applicable new MFRS and amendments to MFRSs for the current financial year:

New MFRS

MFRS 17 Insurance Contracts

Amendments to MFRSs

MFRS 101 Presentation of Financial Statements

MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors

MFRS 112 Income Taxes

The adoption of the above new MFRS and amendments to MFRSs did not have any significant effect on the financial statements of the Group and of the Company and did not result in significant changes to the Group’s and the Company’s existing accounting policies, except as discussed below.

Notes to the Financial Statements

(Cont'd)

2. BASIS OF PREPARATION (CONTINUED)

2.2 Adoption of new MFRS and amendments to MFRSs (continued)

Amendments to MFRS 101 Presentation of Financial Statements

The amendments require an entity to disclose its material accounting policy information rather than significant accounting policies. The amendments, amongst others, also include examples of circumstances in which an entity is likely to consider accounting policy information to be material to its financial statements.

Accordingly, the Group and the Company disclosed their material accounting policy information in these financial statements. However, the amendments did not result in changes to the accounting policies of the Group and of the Company.

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

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

		Effective for financial periods beginning on or after
<u>New MFRS</u>		
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
<u>Amendments to MFRSs</u>		
MFRS 7	Financial Instruments: Disclosures	1 January 2024/ 1 January 2026
MFRS 9	Financial Instruments	1 January 2026
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 16	Leases	1 January 2024
MFRS 101	Presentation of Financial Statements	1 January 2024
MFRS 107	Statement of Cash Flows	1 January 2024
MFRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2025
MFRS 128	Investments in Associates and Joint Ventures	Deferred

Notes to the Financial Statements (Cont'd)

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRS and amendments to MFRSs that have been issued, but are yet to be effective (continued)

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

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 replaces MFRS 101 *Presentation of Financial Statements*. It retains many requirements from MFRS 101 without modification.

MFRS 18 introduces two subtotals which are to be presented in the statement of profit or loss – including “operating profit”, which has been specifically defined. Income and expenses shall be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

MFRS 18 requires disclosure of explanations of the entity’s company-specific measures that are related to the statement of profit or loss, referred to as management-defined performance measures (“MPMs”). The entity is required to reconcile MPMs to a total or subtotal required by MFRS 18 or another MFRS Accounting Standards. MFRS 18 also requires other disclosures, including how each MPM is calculated, what the MPM communication about the entity’s financial performance, and any changes made to the MPMs in the year.

MFRS 18 adds new principles for aggregation and disaggregation of information. It requires the entity to classify the expenses in the “operating” category in the profit or loss by nature or function, or both. The entity that classifies operating expenses by functions are required to disclose in the notes to the financial statements, the amount of depreciation, amortisation, employee benefits, impairment losses and write-downs of inventories included in each line in the operating category. Subject to materiality, MFRS 18 requires items presented or disclosed as “other” to be labelled and/or described in as faithfully representative and precise a way as possible.

Amendments to MFRS 16 Leases

The amendments clarify how an entity should subsequently measure the leaseback liability that arises in a sale and leaseback transaction. Although MFRS 16 includes requirements on how to account for a sale and leaseback at the date the transaction takes place, it has not specified how to measure the sale and leaseback transaction when reporting after that date.

The amendments add subsequent measurement requirements for the right-of-use assets and lease liability arising from a sale and leaseback transaction by clarifying that a seller-lessee in a sale and leaseback transaction shall apply paragraphs 29 to 35 to the right-of-use asset arising from the leaseback and paragraphs 36 to 46 to the lease liability arising from the leaseback. The amendments will not change the accounting for leases other than those arising in a sale and leaseback transaction.

Notes to the Financial Statements (Cont'd)

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRS and amendments to MFRSs that have been issued, but are yet to be effective (continued)

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

Amendments to MFRS 101 Presentation of Financial Statements

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

The latest amendments to MFRS 101 clarify how conditions with which an entity must comply within 12 months after the reporting period affect the classification of a liability. As such, the amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require an entity to disclose information about these covenants in the notes to the financial statements.

Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures

These narrow scope amendments to MFRS 9 clarify the classification and measurement requirements, including:

- clarify how the contractual cash flows on financial assets with environmental, social and corporate governance and similar features should be assessed, specifically the assessment of interest focuses on what an entity is being compensated for, rather than how much compensation it receives. Nonetheless, the amount of compensation the entity receives may indicate that it is being compensated for something other than basic lending risks and costs.
- clarify the date on which a financial asset or a financial liability settled via electronic payment systems is derecognised. The Amendments permit an entity to derecognise a financial liability before it delivers cash on the settlement date if specified criteria are met.

Amendments to MFRS 7 introduces new disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that do not relate directly to basic lending risks and costs.

- (c) The Group and the Company are currently performing analysis to quantify the financial effects arising from adoption of the new MFRS and amendments/improvements to MFRSs.

Notes to the Financial Statements (Cont'd)

2. BASIS OF PREPARATION (CONTINUED)

2.4 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 they operate (“the functional currency”). The consolidated financial statements are presented in Ringgit Malaysia (“RM”), which is also the Company’s functional currency, and has been rounded to the nearest thousand, unless otherwise stated.

2.5 Basis of measurement

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

2.6 Fundamental accounting principle

The financial statements of the Group and the Company have been prepared on the assumption that the Group and the Company will continue as a going concern. The application of the going concern basis is based on assumption that the Group and the Company will be able to realise their assets and discharge their liabilities in the normal course of business.

During the financial year ended 31 March 2024, the Group and the Company incurred a net loss of RM5,551,000 and RM6,814,000 respectively. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group’s and the Company’s ability to continue as a going concern.

The ability of the Group to continue as a going concern will be dependent on:

- (a) The Group’s efforts to continue to roll out innovative and attractive packages to further improve the occupancy and revenue of the hotel division;
- (b) Disposal of low and/or non-yielding land bank;
- (c) Intensify sales and marketing efforts to sell the remaining units from the current development project and completed properties; and
- (d) Continuous engagement with bankers for financial services.

In the event that these are not forthcoming, the Group and the Company may be unable to realise their assets and discharge their liabilities in the normal course of business. Accordingly, the financial statements of the Group and the Company may require adjustments relating to the recoverability and classification of recorded assets and liabilities that may be necessary should the Group and the Company be unable to continue as going concern.

The Group’s performance in hospitality and travel division has improved during the financial year. The Group has reopened its hospitality and travel division in Malaysia, Singapore, Hong Kong and Indonesia, operating at full capacity.

The directors of the Company are of the opinion that the preparation of the financial statements of the Group and of the Company on a going concern basis remains appropriate as they believe the Group’s business operations are gradually returning to pre-pandemic levels. Accordingly, the Group and the Company are able to realise their assets and discharge their liabilities in the normal course of business.

Notes to the Financial Statements

(Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of consolidation

(a) Subsidiaries and business combination

The Group applies the acquisition method to account for business combinations from the acquisition date when the acquired set of activities meets the definition of a business and control is transferred to the Group.

(b) Non-controlling interests

At the acquisition date, components of non-controlling interests of the Group are measured at their acquisition-date fair values.

3.2 Separate financial statements

In the Company's statement of financial position and investment in subsidiaries are measured at cost less any accumulated impairment losses.

Contributions to subsidiaries are amounts for which the settlement is neither planned nor likely to occur in the foreseeable future are, in substance, considered as part of the Company's investment in the subsidiaries.

3.3 Financial instruments

Financial assets - subsequent measurement and gains and losses

Debt instruments at amortised cost

The Group and the Company subsequently measure these assets at amortised cost under the effective interest method. The gross carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities - subsequent measurement and gains and losses

The Group and the Company classify the financial liabilities at amortised cost or fair value through profit or loss. Financial liabilities are classified as fair value through profit or loss if it is classified as held for trading, it is a derivative, it is contingent consideration of an acquirer in a business combination or it is designated as such on initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

The Group and the Company subsequently measure other financial liabilities at amortised cost under the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Notes to the Financial Statements (Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.4 Property, plant and equipment

Property, plant and equipment (other than leasehold land and buildings and right-of-use assets) are measured at cost less accumulated depreciation and any accumulated impairment losses.

Leasehold lands and buildings are measured using revaluation model, based on valuations by external independent valuers, less accumulated depreciation on buildings and any impairment losses recognised after the date of revaluation. Valuations are performed with sufficient regularity to ensure that the fair value of the leasehold land and buildings does not differ materially from the carrying amount. The gross carrying amount is restated and the difference compared to the revalued amount of asset is absorbed by the accumulated depreciation.

The revaluation reserve is transferred to retained earnings as the assets are used. The amount of revaluation reserve transferred is the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost.

Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings.

Freehold land has an unlimited useful life and therefore is not depreciated. All other property, plant and equipment (other than right-of-use assets) are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives using the following annual rates:

Buildings	2% to 4%
Condominium	2%
Motor vehicles	10% to 20%
Furniture and fittings	10%
Office equipment	10%
Data processing equipment	20%
Electrical installation	10%
Renovations	10%
Boats	15%

3.5 Leases

Lessee accounting

The Group presents right-of-use assets and lease liabilities that do not meet the definition of investment property as separate lines in the statements of financial position.

Short-term leases and leases of low value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. Accordingly, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Notes to the Financial Statements (Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.5 Leases (continued)

Lessee accounting (continued)

Right-of-use assets

The right-of-use assets (other than leasehold land that measures using revaluation model) are measured at cost less accumulated depreciation and any accumulated impairment losses and adjust for any remeasurement of the lease liabilities.

Leasehold lands are measured at fair value, based on valuations by external independent valuers, less accumulated depreciation on buildings and any impairment losses recognised after the date of revaluation. Valuations are performed with sufficient regularity to ensure that the fair value of the leasehold land does not differ materially from the carrying amount. The gross carrying amount is restated and the difference compared to the revalued amount of asset is absorbed by the accumulated depreciation.

The right of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the incremental borrowing rate.

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

3.6 Investment properties

Investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

Investment properties are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

	Useful lives (years)
Leasehold buildings	50 years

3.7 Inventories

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

Cost incurred in bringing the inventories to their present location and condition are accounted for based on its purchase costs on a first-in-first out basis.

Properties held for property development

Properties held for property development consist of land where no significant development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Cost includes cost of land and attributable development expenditures.

Notes to the Financial Statements

(Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.7 Inventories (continued)

Properties held for property development (continued)

Properties held for property development will be reclassified to properties under development when significant development work has been undertaken and is expected to be completed within the normal operating cycle.

Properties under development and completed properties

Cost includes:

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

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

The cost of unsold completed properties is determined on a specific identification basis.

3.8 Intangible assets

Intangible assets that are acquired by the Group, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses

The amortisation methods used and the estimated useful lives are as follows:

	Method	Useful lives (years)
Website development cost	Straight-line	2 years

3.9 Revenue and other income

Financing components

The Group and the Company have applied the practical expedient for not to adjust the promised amount of consideration for the effects of a significant financing components as the Group and the Company expect that the period between the transfer of the promised goods or services to the customer and payment by the customer will be one year or less.

(a) **Hotel and resort operations**

The Group recognises the revenue received from guests on the services rendered which including room sales and other ancillary services. There are distinct performance obligations for which prices invoiced to the guests are representative of their stand-alone selling price.

Notes to the Financial Statements (Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.9 Revenue and other income (continued)

(a) Hotel and resort operations (continued)

Revenue from the provision of room from hotel and resort operations are recognised over time upon services rendered to the customer and during the period of the stay in the hotel and resort.

Revenue from foods and beverages is recognised at a point in time when the foods and beverages products and services have been delivered or rendered to the customer.

Revenue from recreation and other operating services is recognised at a point in time upon services rendered to the customer.

(b) Travel services and tours

Revenue from group travel services and tours, hotel arrangements and air ticketing are recognised over time upon services rendered to the customer.

(c) Property development

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

For practical expediency, the Group applies revenue recognition to a portfolio of contracts (or performance obligations) with similar characteristics in the property development business if the Group reasonably expects that the effects on the financial statements would not differ materially from recognising revenue on each individual contracts (or performance obligations) within that portfolio.

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

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

Notes to the Financial Statements (Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.9 Revenue and other income (continued)

(c) Property development (continued)

For residential and commercial properties, as part of the statutory requirements, the Group's and the Company's obligations are to rectify any defects that become apparent within the defect liability period of 12 months for commercial properties and 24 months for residential properties after the customer takes vacant possession of the properties. No provision for rectification costs has been made as at the end of the financial year as there has been no known material defect reported and only minimal costs have been incurred in the past.

(d) Sales of completed properties

The Group sells completed properties and the revenue from sales of completed properties is recognised at a point in time when control of properties has been transferred, when customers accept the delivery of vacant possession of properties.

(e) Membership and subscription fees

Membership and subscription fees are recognised over time over the membership and subscription period.

(f) Management fee

Management fees are recognised over time as services are rendered based on time elapsed.

(g) Revenue from marina operations

Revenue from marina operation is recognised over time upon services are rendered because the customer receives and uses the benefits simultaneously.

(h) Revenue from club operations

Revenue from club operations is recognised at a point in time upon services rendered.

(i) Dividend income

Dividend income is accounted for in the profit or loss when the rights to receive have been established.

(j) Interest income

Interest income is recognised using the effective interest method.

Notes to the Financial Statements (Cont'd)

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

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

(a) Valuation of land and buildings

Freehold land, leasehold land and buildings are carried at revalued amount. Revaluation of these assets is based on valuation performed by independent professional property valuers. The independent professional property valuers may exercise judgement in determining discount rates, estimates of future cash flows, capitalisation rate, terminal year value, average room rate and average occupancy rate in their valuation process. Judgement has been applied in estimating prices for less readily observable external parameters. Other factors such as model assumptions, market dislocations and unexpected correlations may materially affect these estimates and the resulting valuation estimates.

The carrying amounts of land and buildings are disclosed in Note 5 and Note 6(a) to the financial statements.

(b) Inventories valuation

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

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

Inventories are reviewed on a regular basis and the Group will make an allowance for excess or obsolete inventories based on the factor above.

The carrying amounts of inventories are disclosed in Note 8 to the financial statements.

Notes to the Financial Statements (Cont'd)

5. PROPERTY, PLANT AND EQUIPMENT

Group	2024											Total	
	Buildings RM'000	Freehold land RM'000	Condominium vehicles RM'000	Motor vehicles RM'000	Furniture and fittings RM'000	Office equipment RM'000	Data processing equipment RM'000	Electrical installation RM'000	Boats RM'000	Renovations RM'000	Boats RM'000		Renovations RM'000
Cost/Valuation													
At 1 April 2023	169,491	7,650	427	946	9,137	12,823	3,116	1,386	83	22,031	227,090		
Additions	-	-	-	-	28	543	35	34	12	88	740		
Written off	-	-	-	(178)	(34)	(341)	(126)	-	(4)	-	(683)		
Revaluation	26,198	-	-	-	-	-	-	-	-	-	26,198		
Elimination	(17,098)	-	-	-	-	-	-	-	-	-	(17,098)		
Exchange differences	4	-	-	-	13	23	49	-	-	18	107		
At 31 March 2024	178,595	7,650	427	768	9,144	13,048	3,074	1,420	91	22,137	236,354		
Accumulated depreciation													
At 1 April 2023	11,456	-	77	901	8,882	9,323	2,923	846	78	17,772	52,258		
Charge for the financial year	5,754	-	9	45	80	618	66	88	3	745	7,408		
Written off	-	-	-	(178)	(34)	(340)	(126)	-	(4)	-	(682)		
Elimination	(17,098)	-	-	-	-	-	-	-	-	-	(17,098)		
Exchange differences	-	-	-	-	12	23	49	-	-	13	97		
At 31 March 2024	112	-	86	768	8,940	9,624	2,912	934	77	18,530	41,983		
Carrying amount													
At 31 March 2024	178,483	7,650	341	-	204	3,424	162	486	14	3,607	194,371		
Representing:													
- Cost	-	-	341	-	204	3,424	162	486	14	3,607	8,238		
- Valuation	178,483	7,650	-	-	-	-	-	-	-	-	186,133		
	178,483	7,650	341	-	204	3,424	162	486	14	3,607	194,371		

Notes to the Financial Statements (Cont'd)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	(At valuation) (At valuation)										
	Buildings RM'000	Freehold land RM'000	Condominium RM'000	Motor vehicles RM'000	Furniture and fittings RM'000	Office equipment RM'000	Data processing equipment RM'000	Electrical installation RM'000	Boats RM'000	Renovations RM'000	Total RM'000
2023											
Cost/Valuation											
At 1 April 2022	169,488	7,650	427	827	9,068	12,289	2,967	1,264	83	21,520	225,583
Additions	-	-	-	-	62	550	127	122	-	500	1,361
Disposal	-	-	-	(218)	-	-	(6)	-	-	-	(224)
Written off	-	-	-	-	-	(29)	-	-	-	-	(29)
Reclassification from right-of-use assets	-	-	-	337	-	-	-	-	-	-	337
Exchange differences	3	-	-	-	7	13	28	-	-	11	62
At 31 March 2023	169,491	7,650	427	946	9,137	12,823	3,116	1,386	83	22,031	227,090
Accumulated depreciation											
At 1 April 2022	5,702	-	69	827	8,784	8,763	2,824	760	76	17,016	44,821
Charge for the financial year	5,754	-	8	67	91	573	74	86	2	751	7,406
Disposal	-	-	-	(218)	-	-	(3)	-	-	-	(221)
Written off	-	-	-	-	-	(26)	-	-	-	-	(26)
Reclassification from right-of-use assets	-	-	-	225	-	-	-	-	-	-	225
Exchange differences	-	-	-	-	7	13	28	-	-	5	53
At 31 March 2023	11,456	-	77	901	8,882	9,323	2,923	846	78	17,772	52,258
Carrying amount											
At 31 March 2023	158,035	7,650	350	45	255	3,500	193	540	5	4,259	174,832
Representing:											
- Cost	-	-	350	45	255	3,500	193	540	5	4,259	9,147
- Valuation	158,035	7,650	-	-	-	-	-	-	-	-	165,685
	158,035	7,650	350	45	255	3,500	193	540	5	4,259	174,832

Notes to the Financial Statements

(Cont'd)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Office equipment RM'000	Furniture and fittings RM'000	Data processing equipment RM'000	Electrical installation RM'000	Renovations RM'000	Total RM'000
Company						
2024						
Cost						
At 1 April 2023	34	102	95	30	314	575
Additions	-	-	- *	-	-	- *
Written off	(3)	-	(8)	-	-	(11)
At 31 March 2024	31	102	87	30	314	564
Accumulated depreciation						
At 1 April 2023	29	88	80	28	251	476
Charge for the financial year	2	10	4	- *	31	47
Written off	(3)	-	(8)	-	-	(11)
At 31 March 2024	28	98	76	28	282	512
Carrying amount						
At 31 March 2024	3	4	11	2	32	52
2023						
Cost						
At 1 April 2022	33	102	83	30	314	562
Additions	1	-	16	-	-	17
Disposal	-	-	(4)	-	-	(4)
At 31 March 2023	34	102	95	30	314	575
Accumulated depreciation						
At 1 April 2022	27	78	78	28	220	431
Charge for the financial year	2	10	4	- *	31	47
Disposal	-	-	(2)	-	-	(2)
At 31 March 2023	29	88	80	28	251	476
Carrying amount						
At 31 March 2023	5	14	15	2	63	99

* Representing amount less than RM1,000.

Notes to the Financial Statements (Cont'd)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(a) Fair value information

Level 3 fair value

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation models.

Description	Valuation technique	Significant unobservable inputs	Relationship of unobservable inputs to fair value	Date of valuation
Freehold land	Sales comparison approach	Price per square feet RM51 (2023: RM51)	The higher the price per square feet, the higher the fair value	1 April 2022
Building 1	Sales comparison approach	Price per square feet RM110 (2023: RM110)	The higher the price per square feet, the higher the fair value	1 April 2022
Building 2	Sales comparison approach	Price per square feet RM261 (2023: RM261)	The higher the price per square feet, the higher the fair value	1 April 2022
Building 3	Cost approach	Price per square feet RM350 (2023: RM350)	The higher the construction costs per square feet, the higher the fair value	31 March 2024
Building 4	Cost approach	Price per square feet RM89 (2023: RM89)	The higher the cost of replacement per square feet, the higher the fair value	21 March 2022
Freehold land and building	Income approach	Estimated higher yield rate per room RM568,000 (2023: RM565,000)	The higher the yield rate per room, the higher the fair value	31 March 2024

There is no transfer between the level of fair value hierarchy during the financial year ended 31 March 2024.

Notes to the Financial Statements (Cont'd)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

- (a) Fair value information (continued)

Valuation processes applied by the Group

The Group's finance department includes a team that performs valuation analysis of land and buildings required for financial reporting purposes, including Level 3 fair values.

The fair value of the land and buildings is determined by external independent property valuers which is a member of the Institute of Valuers in Malaysia, with appropriate recognised professional qualifications and recent experience in the location and category of property being valued.

Sales price of comparable properties in close proximity are adjusted for differences in key attributes such as property size.

In the cost approach, the value of the land is added to the replacement cost of the building and other site improvements. The value of the site is determined by comparison with similar lands that were sold recently and those currently offered for sale with appropriate adjustments made to reflect the dis-similarities.

For the income approach, market value of land and buildings were also derived from cash flows projections and implementation of appropriate yield rates.

There have been no changes to the valuation technique during the financial year.

Highest and best use

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

- (b) Had the revalued freehold land and buildings been carried at historical cost less accumulated depreciation, the net carrying amount would have been as follows:

	Group	
	2024	2023
	RM'000	RM'000
Freehold land	6,223	6,223
Buildings	64,241	66,478
	70,464	72,701

- (c) Included in the Group's property, plant and equipment are certain land and buildings with the net carrying amount of RM133,250,000 (2023: RM115,281,000) pledged to secure banking facilities granted to the Group as disclosed in Note 16 to the financial statements.
- (d) Included in the Group's property, plant and equipment are certain buildings registered under the name of third parties with carrying amount of RM13,291,000 (2023: RM13,302,000).

Notes to the Financial Statements

(Cont'd)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Right-of-use assets

	Leasehold lands RM'000 (At valuation)	Lease buildings RM'000	Total RM'000
Group			
Cost/Valuation			
2024			
At 1 April 2023	50,600	3,990	54,590
Additions	-	6,262	6,262
Expiration of lease contract	-	(3,475)	(3,475)
Revaluation	2,042	-	2,042
Elimination	(2,042)	-	(2,042)
Exchange differences	-	15	15
At 31 March 2024	50,600	6,792	57,392
Accumulated depreciation			
At 1 April 2023	1,361	3,537	4,898
Depreciation	681	2,186	2,867
Expiration of lease contract	-	(3,475)	(3,475)
Elimination	(2,042)	-	(2,042)
Exchange differences	-	6	6
At 31 March 2024	-	2,254	2,254
Carrying amount			
At 31 March 2024	50,600	4,538	55,138
Representing:			
- Cost	-	4,538	4,538
- Valuation	50,600	-	50,600
	50,600	4,538	55,138

Notes to the Financial Statements (Cont'd)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

(a) Right-of-use assets (continued)

	Leasehold lands RM'000	Lease buildings RM'000	Motor vehicles RM'000	Total RM'000
(At valuation)				
Group				
Cost/Valuation				
2023				
At 1 April 2022	50,600	8,783	337	59,720
Additions	-	217	-	217
Expiration of lease contract	-	(5,012)	-	(5,012)
Reclassification to property, plant and equipment	-	-	(337)	(337)
Exchange differences	-	2	-	2
At 31 March 2023	<u>50,600</u>	<u>3,990</u>	<u>-</u>	<u>54,590</u>
Accumulated depreciation				
At 1 April 2022	681	6,896	224	7,801
Depreciation	680	1,652	-	2,332
Expiration of lease contract	-	(5,012)	-	(5,012)
Reclassification to property, plant and equipment	-	-	(224)	(224)
Exchange differences	-	1	-	1
At 31 March 2023	<u>1,361</u>	<u>3,537</u>	<u>-</u>	<u>4,898</u>
Carrying amount				
At 31 March 2023	<u>49,239</u>	<u>453</u>	<u>-</u>	<u>49,692</u>
Representing:				
- Cost	-	453	-	453
- Valuation	49,239	-	-	49,239
	<u>49,239</u>	<u>453</u>	<u>-</u>	<u>49,692</u>

The Group's leasehold land has remaining lease terms of 70 to 71 years (2023: 71 to 72 years).

The leased buildings were mainly for the office space and operation site. The leases for office space and the operation site generally have lease terms between 2 to 10 years.

Included in the Group's right-of-use assets is a leasehold land with the net carrying amount of RM23,100,000 (2023: RM22,492,000) that has been pledged to secure against banking facilities granted to the Group as disclosed in Note 16 to the financial statements.

Notes to the Financial Statements (Cont'd)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

(a) Right-of-use assets (continued)

Fair value information

Fair values of revalued leasehold land are categorised as follows:

	Group	
	2024 RM'000	2023 RM'000
Level 3		
Leasehold lands	50,600	49,239

Level 3 fair value

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation models.

Description	Valuation technique	Significant unobservable inputs	Relationship of unobservable inputs to fair value	Date of valuation
Leasehold land 1	Comparison approach	Price per square feet RM42 (2023: RM42)	The higher the price per square feet, the higher the fair value	31 March 2024
Leasehold land 2	Comparison approach	Price per square feet RM70 (2023: RM70)	The higher the price per square feet, the higher the fair value	31 March 2024
Leasehold land 3	Comparison approach	Price per square feet RM20 (2023: RM20)	The higher the price per square feet, the higher the fair value	31 March 2024

Valuation processes applied by the Group

The fair value of leasehold lands is determined by external independent valuers, a member of the Institute of Valuers in Malaysia with appropriate recognised professional qualifications and recent experience in the location and category of property being valued. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size.

Notes to the Financial Statements (Cont'd)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

(a) Right-of-use assets (continued)

Highest and best use

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

Had the revalued leasehold lands been carried at historical cost less accumulated depreciation, the net carrying amount of the leasehold lands that would have been included in the financial statements of the Group are as follows:

	Group	
	2024	2023
	RM'000	RM'000
Leasehold lands	26,164	26,528
	26,164	26,528

(b) Lease liabilities

Future minimum lease payments under leases together with the present value of net minimum lease payments are as follows:

	Group	
	2024	2023
	RM'000	RM'000
Minimum lease payment:		
- Not later than one year	2,390	437
- Later than one year and not later than 5 years	2,904	188
	5,294	625
Less: Future finance charges	(319)	(49)
Present value of minimum lease payments	4,975	576
Present value of minimum lease payments:		
- Not later than one year	2,161	403
- Later than one year and not later than 5 years	2,814	173
	4,975	576
Less: Amount due within 12 months	(2,161)	(403)
Amount due after 12 months	2,814	173

The lease liabilities bear an interest rate of 5.93% (2023: 6:15%) per annum.

Notes to the Financial Statements

(Cont'd)

7. INVESTMENT PROPERTIES

	Group	
	2024	2023
	RM'000	RM'000
Leasehold properties		
Cost		
At 1 April	3,412	3,756
Disposal	(323)	(344)
At 31 March	3,089	3,412
Accumulated depreciation		
At 1 April	677	764
Charge for the financial year	42	52
Disposal	(121)	(139)
At 31 March	598	677
Accumulated impairment loss		
At 1 April	406	453
Disposal	(48)	(47)
At 31 March	358	406
Carrying amount		
At 31 March	2,133	2,329
Fair value		
At 31 March	2,287	2,708

The following are recognised in profit or loss in respect of investment properties:

	Group	
	2024	2023
	RM'000	RM'000
Direct operating expenses:		
- non-income generating investment properties	16	17

Level 2 fair value

The Group's finance department includes a team that performs valuation analysis of investment properties required for financial reporting purposes, including Level 2 fair values. This team reports directly to the management. The fair values are arrived at based on comparisons with prices of similar properties in the same location or adjacent locations. Location differences may significantly affect the estimates of the fair values.

Notes to the Financial Statements

(Cont'd)

8. INVENTORIES

	Note	Group	
		2024 RM'000	2023 RM'000
Non-current			
Properties held for development	(a)		
- Freehold land		12,902	12,902
- Leasehold land		14,972	14,972
- Development costs		27,168	27,168
		55,042	55,042
Current			
Properties under development	(b)		
- Freehold land		31,969	31,969
- Development costs		10,704	13,660
		42,673	45,629
Completed unsold development properties	(c)	12,398	11,600
Trading merchandise		374	380
Others		250	240
		55,695	57,849
		110,737	112,891

- (a) Properties held for development with a total carrying amount of RM17,383,000 (2023: RM17,383,000) have been pledged to licensed banks as securities for banking facilities granted to the Group as disclosed in Note 16 to financial statements.
- (b) Properties under development with a total carrying amount of RM17,249,000 (2023: RM17,249,000) have been pledged to licensed banks as securities for banking facilities granted to the Group as disclosed in Note 16 to financial statements.
- (c) Completed unsold development properties with a total carrying amount of RM5,355,000 (2023: RM5,355,000) have been pledged to licensed banks as securities for banking facilities granted to the Group as disclosed in Note 16 to financial statements.
- (d) The cost of inventories of the Group recognised as an expense in cost of sales during the financial year in respect of continuing operations was RM10,470,000 (2023: RM12,269,000).
- (e) The land titles for properties held for development of RM15,761,000 (2023: RM15,761,000) and properties under development of RM7,899,000 (2023: RM10,855,000) were not registered under the name of a subsidiary of the Group. However, the subsidiary has irrevocable power to deal with the land pursuant to the agreement dated 30 January 1999 and the supplementary agreement dated 26 April 2021 entered between the subsidiary and the landowner to jointly develop the land.

The land titles of the completed unsold development properties of RM1,147,000 (2023: RM350,000) are registered under the landowner as stated above.

Notes to the Financial Statements (Cont'd)

9. INTANGIBLE ASSETS

	Website development cost RM'000
Group	
2024	
Cost	
At 1 April 2023	-
Additions	12
At 31 March 2024	12
Accumulated depreciation	
At 1 April 2023	-
Amortisation charge for the financial year	4
At 31 March 2024	4
Carrying amount	
At 31 March 2024	8

Websites development cost principally comprise internally generated expenditure where it is reasonably anticipated that the costs will be recovered through future commercial activities.

10. INVESTMENT IN SUBSIDIARIES

	Company	
	2024	2023
	RM'000	RM'000
At cost		
Unquoted shares	36,900	36,900
Less: Impairment losses	(10,400)	(10,400)
	26,500	26,500
Loans that are part of net investments	207,913	213,606
Less: Impairment losses	(29,653)	(29,653)
	178,260	183,953
	204,760	210,453

Loans that are part of net investments represent amounts owing by subsidiaries which are non-trade in nature, unsecured and non-interest bearing. The settlement of the amount is neither planned nor likely to occur in the foreseeable future as it is the intention of the Company to treat these amounts as a long-term source of capital to the subsidiaries. As this amount is, in substance, a part of the Company's net investment in the subsidiaries, it is stated at cost less accumulated impairment loss, if any.

Notes to the Financial Statements (Cont'd)

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows:

Name of company	Principal place of business/ Country of incorporation	Effective equity interest		Principal activities
		2024 %	2023 %	
Subsidiaries				
<u>Hotel Division</u>				
Direct subsidiaries				
Fortune Valley Sdn. Bhd.	Malaysia	100	100	Development and management of hotels
Avillion Hotel Group Sdn. Bhd.	Malaysia	100	100	Hotel and resort management
Indirect subsidiaries held through Avillion Hotel Group Sdn. Bhd.				
Avillion Hotels International Sdn. Bhd.	Malaysia	100	100	Hotel and resort management
Avi Spa Sdn. Bhd.	Malaysia	100	100	Operate and manage spa and health centre
Avillion Suite Hotel (PD) Sdn. Bhd.	Malaysia	100	100	Provision of management services for hotel suites and service apartments
Avillion Vista Hotel Sdn. Bhd.	Malaysia	100	100	Provision of management services for hotel suites and service apartments
Avillion Hotel (KL) Sdn. Bhd.	Malaysia	100	100	Provision of marketing for resorts and hotels
PT Avillion Indonesia #	Indonesia	100	100	Management and advisory consultancy in hotel, property and tourism industry

Notes to the Financial Statements (Cont'd)

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows (continued):

Name of company	Principal place of business/ Country of incorporation	Effective equity interest		Principal activities
		2024 %	2023 %	
Subsidiaries (continued)				
<u>Property Division</u>				
Direct subsidiary				
RPB Development Sdn. Bhd	Malaysia	100	100	Hotel and resort development
Indirect subsidiaries held through RPB Development Sdn. Bhd.				
Mela Lifestyle Sdn. Bhd.	Malaysia	100	100	Property development
Meridian Haven Sdn. Bhd.	Malaysia	100	100	Investment holding
Nesline Sdn. Bhd.	Malaysia	100	100	Investment holding
Festive Place Sdn. Bhd.	Malaysia	100	100	Development and management of tourism related projects and property investment
Admiral Cove Development Sdn. Bhd.	Malaysia	80	80	Property and resort development
Admiral Hill Hotel Sdn. Bhd.	Malaysia	80	80	Property and resort development
Indirect subsidiaries held through Meridian Haven Sdn. Bhd.				
Golden Envoy (M) Sdn. Bhd.	Malaysia	100	100	Property development
Indirect subsidiaries held through Nesline Sdn. Bhd.				
Taman Unik Sdn. Bhd.	Malaysia	100	100	Investment holding
Indirect subsidiaries held through Festive Place Sdn. Bhd.				
Vast Access Sdn. Bhd.	Malaysia	100	100	Investment and property holding

Notes to the Financial Statements (Cont'd)

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows (continued):

Name of company	Principal place of business/ Country of incorporation	Effective equity interest		Principal activities
		2024 %	2023 %	
Subsidiaries (continued)				
<u>Property Division (continued)</u>				
Indirect subsidiaries held through Admiral Cove Development Sdn. Bhd.				
Admiral Marina Berhad	Malaysia	80	80	Operation of a marina club including berthing facilities
Genius Field Sdn. Bhd.	Malaysia	80	80	Investment holding
<u>Travel division</u>				
Direct subsidiaries				
RPB Holdings (Overseas) Limited	British Virgin Islands	100	100	Investment holding
Reliance E-Com Sdn. Bhd.	Malaysia	100	100	Investment company in relation to electronic commerce
Indirect subsidiaries held through Reliance E-Com Sdn. Bhd.				
Reliance Shipping & Travel Agencies (Perak) Sdn. Bhd.	Malaysia	100	100	Investment holding
Indirect subsidiaries held through RPB Holdings (Overseas) Limited				
Reliance Travel Agencies (S) Pte. Ltd *	Singapore	100	100	Travel services, outbound tours and other related services
Vacation Singapore DMC Pte. Ltd *	Singapore	100	100	Travel services, outbound tours and other related services
Reliance Travel (Hong Kong) Limited *	Hong Kong	100	100	Travel services and tours
Vacation Asia (HK) Limited *	Hong Kong	100	100	Travel services and tours

Notes to the Financial Statements (Cont'd)

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows (continued):

Name of company	Principal place of business/ Country of incorporation	Effective equity interest		Principal activities
		2024 %	2023 %	
Subsidiaries (continued)				
<u>Support companies</u>				
Direct subsidiary				
RPB Capital Holdings Sdn. Bhd. *	Malaysia	100	100	Investment holding
Indirect subsidiaries held through RPB Capital Holdings Sdn. Bhd.				
Avi Agro Sdn. Bhd. * <i>(Formerly known as Read Advertising Sdn. Bhd.)</i>	Malaysia	100	100	Advertising and media services
OS Resources Sdn. Bhd. *	Malaysia	100	100	Office services, administrative and provision of information technology products and services and property investment

* *Companies audited by another firm of auditors other than Baker Tilly Monteiro Heng PLT.*

Companies not required to be audited in their countries of incorporation. The financial statements have been reviewed for consolidation purposes.

(a) Non-controlling interests in subsidiaries

The financial information of the Group's and the Company's subsidiaries that have material non-controlling interests are as follows:

Equity interest held by non-controlling interests:

Name of company	Principal place of business/ Country of incorporation	Effective equity interest	
		2024 %	2023 %
Admiral Cove Development Sdn. Bhd.	Malaysia	20	20
Admiral Marina Berhad	Malaysia	20	20
Genius Field Sdn. Bhd.	Malaysia	20	20
Admiral Hill Hotel Sdn. Bhd.	Malaysia	20	20

Notes to the Financial Statements (Cont'd)

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Non-controlling interests in subsidiaries (continued)

Carrying amounts of material non-controlling interests are as follows:

	Group	
	2024	2023
	RM'000	RM'000
Admiral Cove Development Sdn. Bhd. and its subsidiaries	3,099	2,478
Admiral Hill Hotel Sdn. Bhd.	307	(18)
	3,406	2,460

Profit or loss allocated to material non-controlling interests are as follows:

	Group	
	2024	2023
	RM'000	RM'000
Admiral Cove Development Sdn. Bhd. and its subsidiaries	(120)	(519)
Admiral Hill Hotel Sdn. Bhd.	325	(121)
	205	(640)

Total comprehensive income or loss allocated to material non-controlling interests are as follows:

	Group	
	2024	2023
	RM'000	RM'000
Admiral Cove Development Sdn. Bhd. and its subsidiaries	621	(519)
Admiral Hill Hotel Sdn. Bhd.	325	(121)
	946	(640)

Notes to the Financial Statements

(Cont'd)

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(b) Summarised financial information of material non-controlling interests

The summarised financial information (before intra-group elimination) of the Group's subsidiaries that have material non-controlling interests are as follows:

	Admiral Cove Development Sdn. Bhd. and its subsidiaries RM'000	Admiral Hill Hotel Sdn. Bhd. RM'000
Summarised statements of financial position		
As at 31 March 2024		
Current assets	17,398	- *
Non-current assets	99,227	8,301
Current liabilities	(12,069)	(307)
Non-current liabilities	(52,199)	(6,460)
Net assets	52,357	1,534
Summarised statements of comprehensive income		
Financial year ended 31 March 2024		
Revenue	9,648	-
(Loss)/Profit for the financial year	(599)	1,623
Total comprehensive income	3,106	1,623
Summarised cash flows information		
Financial year ended 31 March 2024		
Cash flows from operating activities	123	-
Cash flows used in investing activities	(68)	-
Net increase in cash and cash equivalents	55	-

Notes to the Financial Statements (Cont'd)

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(b) Summarised financial information of material non-controlling interests (continued)

The summarised financial information (before intra-group elimination) of the Group's subsidiaries that have material non-controlling interests are as follows (continued):

	Admiral Cove Development Sdn. Bhd. and its subsidiaries RM'000	Admiral Hill Hotel Sdn. Bhd. RM'000
Summarised statements of financial position		
As at 31 March 2023		
Current assets	32,453	22
Non-current assets	81,425	8,301
Current liabilities	(48,751)	(8,412)
Non-current liabilities	(52,744)	-
Net assets/(liabilities)	12,383	(89)
Summarised statements of comprehensive loss		
Financial year ended 31 March 2023		
Revenue	10,055	-
Loss for the financial year	(2,596)	(606)
Total comprehensive loss	(2,596)	(606)
Summarised cash flows information		
Financial year ended 31 March 2023		
Cash flows used in operating activities	(314)	-
Cash flows from investing activities	102	-
Net decrease in cash and cash equivalents	(212)	-

* Representing amount less than RM1,000.

Notes to the Financial Statements

(Cont'd)

11. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current:				
Non-trade				
Other receivables	3,392	3,392	3,392	3,392
Less: Impairment losses	(3,392)	(3,392)	(3,392)	(3,392)
Total other receivables (non-current)	-	-	-	-
Current:				
Trade				
Trade receivables	4,391	5,645	-	-
Less: Impairment losses	(377)	(474)	-	-
	4,014	5,171	-	-
Non-trade				
Other receivables	3,649	3,397	2,316	2,326
Deposits	733	733	10	10
GST refundable	16	16	-	-
Less: Impairment losses	(2,316)	(2,316)	(2,316)	(2,316)
	2,082	1,830	10	20
Total trade and other receivables (current)	6,096	7,001	10	20
Total trade and other receivables (current and non-current)	6,096	7,001	10	20

Trade receivables are non-interest bearing and normal credit terms offered by the Group and the Company range from 30 days to 90 days (2023: 30 days to 90 days) from the date of invoices. Other credit terms are assessed and approved on a case-by-case basis.

Included in the trade receivables is stakeholders sum which is receivable upon the expiry of defect liability period as provided in the contracts with customers, is expected to be collected as follows:

	Group	
	2024 RM'000	2023 RM'000
Later than one year	288	-

The information about the credit exposures is disclosed in Note 28(b)(i) to the financial statements.

Notes to the Financial Statements (Cont'd)

11. TRADE AND OTHER RECEIVABLES (CONTINUED)

Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of trade receivables are as follows:

	Group	
	2024 RM'000	2023 RM'000
At 1 April	474	370
Charge for the financial year	-	104
Reversal during the year	(97)	-
At 31 March	377	474

12. AMOUNT OWING BY/(TO) SUBSIDIARIES

- (a) The amounts owing by/(to) subsidiaries are unsecured, subject to interest at 5.93% (2023: 6.15%) and not expected to be repayable within the next 12 months.
- (b) The amounts owing by/(to) subsidiaries are unsecured, non-interest bearing and repayable on demand are expected to be settled in cash.

13. CASH AND SHORT-TERM DEPOSITS

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and bank balances	(a)	5,332	5,580	2,338	2,172
Short term-deposits	(b)	657	5,244	-	4,644
		5,989	10,824	2,338	6,816

- (a) Cash and bank balances which are restricted from use in other operations are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash held pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966	185	185	-	-
Cash maintained in debt service reserve account	2,629	2,629	2,156	2,156
Cash held under sinking fund	25	11	-	-
	2,839	2,825	2,156	2,156

Notes to the Financial Statements (Cont'd)

13 CASH AND SHORT-TERM DEPOSITS (CONTINUED)

- (b) Included in deposits placed with licensed banks of the Group of RM657,000 (2023: RM600,000) is pledged for bank overdraft granted to a subsidiary and are not available for general use.
- (c) The range of effective interest rates at the end of the financial year for deposits with licensed banks is 3.2% (2023: 2.30% to 2.70%). The deposits have a maturity period of 6 months (2023: 1 to 6 months).

14. SHARE CAPITAL

	Group and Company			
	Number of shares		Amounts	
	2024	2023	2024	2023
	Units ('000)	Units ('000)	RM'000	RM'000
Ordinary shares				
Issued and fully paid up				
(no par value):				
At the beginning/end				
of the financial year	1,133,288	1,133,288	236,095	236,095

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

15. RESERVES

		Group			Company	
		31.3.2024	31.3.2023	1.4.2022	31.3.2024	31.3.2023
		Note	RM'000	RM'000	RM'000	RM'000
			(Restated)	(Restated)		
Foreign currency						
translation reserve	(a)	6,805	5,994	5,555	-	-
Revaluation reserve	(b)	112,260	95,267	98,984	-	-
		119,065	101,261	104,539	-	-
Accumulated losses		(133,158)	(131,131)	(130,090)	(148,127)	(141,313)
		(14,093)	(29,870)	(25,551)	(148,127)	(141,313)

(a) Foreign currency translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency as well as the foreign currency differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation or another currency.

Notes to the Financial Statements (Cont'd)

15. RESERVES (CONTINUED)

(b) Revaluation reserve

Revaluation reserve relates to surplus from the revaluation of the Group's land and buildings, net of tax.

16. LOANS AND BORROWINGS

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current:					
Term loans	(a)	44,117	52,491	40,400	47,600
Hire purchase payables	(b)	-	4	-	-
		<u>44,117</u>	<u>52,495</u>	<u>40,400</u>	<u>47,600</u>
Current:					
Bank overdrafts	(c)	19,432	24,168	8,769	11,926
Term loans	(a)	8,700	4,800	7,200	4,800
Hire purchase payables	(b)	4	52	-	-
Revolving credit	(c)	6,300	8,400	6,300	8,400
		<u>34,436</u>	<u>37,420</u>	<u>22,269</u>	<u>25,126</u>
Total loans and borrowings:					
Bank overdrafts	(c)	19,432	24,168	8,769	11,926
Term loans	(a)	52,817	57,291	47,600	52,400
Hire purchase payables	(b)	4	56	-	-
Revolving credit	(c)	6,300	8,400	6,300	8,400
		<u>78,553</u>	<u>89,915</u>	<u>62,669</u>	<u>72,726</u>

Notes to the Financial Statements (Cont'd)

16. LOANS AND BORROWINGS (CONTINUED)

(a) Term loans

Term loan 1 of the Company of RM42,500,000 (2023: RM46,500,000) from financial institution for a period of 13 years is to refinance the overdraft and term loan. The repayment is by instalment commencing upon expiry of the 12 months grace period from the date of first drawdown. The effective interest rate is at 0.50% per annum above the Bank's Cost of Funds and is secured as follows:

- (i) Legal charge over properties of a subsidiary;
- (ii) Legal charge over certain inventories of subsidiaries;
- (iii) Debenture over fixed and floating assets;
- (iv) Assignment over Debt Service Reserve Account ("DSRA") to be maintained with bank; and
- (v) Corporate guarantee by a subsidiary of the Company.

Term loan 2 of the Company of RM5,100,000 (2023: RM5,900,000) from financial institution for a period of 3 years is to refinance the term loan and working capital. The repayment is by instalment commencing upon expiry of the 6 months grace period from the date of first drawdown. The effective interest rate is at 10% (2023: 9.75%) per annum and is secured over inventories of subsidiaries.

Term loan 3 of a subsidiary of RM5,217,000 (2023: RM4,891,000) from financial institution is to finance refurbishment and maintenance and repair related cost at Avillion Port Dickson Resort. The repayment is by instalment commencing in July 2024. The interest rate is at 0.50% per annum above the Bank's Cost of Funds and it is secured and supported as follows:

- (i) Legal charge over property of the subsidiary;
- (ii) Debenture over fixed and floating assets; and
- (iii) Corporate guarantee by the Company.

(b) Hire purchase payables

Hire purchase payables of the Group bear interest rate at 4.92% (2023: 4.92%) per annum and are secured by the Group's motor vehicle under hire purchase arrangements.

(c) Bank overdrafts and revolving credit

Bank overdrafts and revolving credit bear interest rates at 7.13% to 8.20% (2023: 7.13% to 8.20%) and 6.31% to 10.62% (2023: 6.06% to 10.37%) respectively and are secured by way of:

- (i) Legal charge over certain inventories of subsidiaries;
- (ii) Legal charge over leasehold lands of subsidiaries;
- (iii) Legal charge over investment properties of subsidiaries;
- (iv) Corporate guarantee by the Company and a subsidiary of the Group; and
- (v) Pledge of short-term deposits.

Notes to the Financial Statements

(Cont'd)

17. DEFERRED TAX LIABILITIES

The component and movements of deferred tax of the Group and the Company during the financial year are as follows:

	Revaluation of land and buildings RM'000	Property, plant and equipment RM'000	Total RM'000
Deferred tax liabilities			
Group			
At 1 April 2022	28,873	5,728	34,601
Recognised in other comprehensive loss	(4)	-	(4)
Recognised in profit or loss	(1,175)	(377)	(1,552)
At 31 March 2023	27,694	5,351	33,045
Recognised in other comprehensive income	6,778	-	6,778
Recognised in profit or loss	(1,177)	(261)	(1,438)
At 31 March 2024	33,295	5,090	38,385

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unused tax losses	50,024	44,991	18,232	11,769
Unabsorbed capital allowance	176	81	31	29
Other temporary differences	1,084	792	2	(12)
	51,284	45,864	18,265	11,786
Potential deferred tax assets not recognised at 24% (2023: 24%)	12,308	11,007	4,384	2,829

Notes to the Financial Statements

(Cont'd)

17. DEFERRED TAX LIABILITIES (CONTINUED)

Unrecognised deferred tax assets (continued)

The unused tax losses are available indefinitely for offset against future taxable profits of the Group and of the Company except for certain unused tax losses which are available for utilisation up to the following financial years:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unused tax losses arising from local entities				
Year of assessment				
2028	19,621	21,023	7,926	7,926
2029	3,305	3,305	1,426	1,426
2030	2,063	2,063	114	114
2031	1,168	1,168	528	528
2032	2,108	1,697	651	651
2033	3,567	4,275	1,124	1,124
2034	6,838	-	6,463	-
	38,670	33,531	18,232	11,769
Unused tax losses arising from foreign entities				
No expiry period	11,354	11,460	-	-
	50,024	44,991	18,232	11,769

The availability of unused tax losses for offsetting against future taxable profits of the respective subsidiaries in Malaysia are subject to requirements under the Income Tax Act, 1967 and guidelines issued by the tax authority.

The foreign subsidiaries have deferred tax assets in respect of unused tax losses of RM11,354,000 (2023: RM11,460,000) to carry forward for offset against future taxable income subject to compliance with the relevant sections of the Income Tax Act and agreement of the tax authorities. These unutilised tax losses have no expiry date.

Notes to the Financial Statements

(Cont'd)

18. TRADE AND OTHER PAYABLES

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Current:				
Trade				
Trade payables	7,159	6,716	-	-
Retention sum	247	340	-	-
	7,406	7,056	-	-
Non-trade				
Other payables	8,184	5,212	3,894	3,698
Accruals	5,498	4,746	794	407
Deposit payables	2,861	4,588	2,000	2,000
Sales and Service tax ("SST") payable	295	288	-	-
	16,838	14,834	6,688	6,105
	24,244	21,890	6,688	6,105

Trade payables are non-interest bearing and are normally settled on the ranging from 30 days to 90 days (2023: 30 days to 90 days).

The retention sum which is payable upon the expiry of defect liability period is expected to be settled later than one year after the reporting date.

19. CONTRACT LIABILITIES

	Group	
	2024	2023
	RM'000	RM'000
Contract liabilities relating to property development contracts	1,963	2,311
Contract liabilities relating to hotel and resort management	1,153	1,370
	3,116	3,681

Notes to the Financial Statements (Cont'd)

19. CONTRACT LIABILITIES (CONTINUED)

(a) Significant changes in contract balances

	Group	
	Contract liabilities	
	(Increase)/decrease	
	2024	2023
	RM'000	RM'000
Revenue recognised that was included in contract liabilities at the beginning of the financial year	3,681	1,117
Increase due to consideration received from customers, but revenue not recognised	(3,116)	(3,681)
	(3,116)	(3,681)

(b) Contract liabilities

The contract liabilities represent progress billings, deposits received and the Group obligations on liquidated damages for property development contracts and deposits received for sale of membership fee, berthing fee and vouchers for hotel and resort operations for which performance obligations have not been satisfied.

The contract liabilities are expected to be recognised as revenue over a period of 30 days to 90 days.

Notes to the Financial Statements (Cont'd)

20. REVENUE

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue from contract customers:					
Hotel and resort management		37,852	38,909	-	-
Property development		15,060	13,606	-	-
Tours operations and other travel related services		20,075	14,138	-	-
	(a)	<u>72,987</u>	<u>66,653</u>	-	-
Revenue from other source:					
Management fees		-	-	810	660
		<u>72,987</u>	<u>66,653</u>	<u>810</u>	<u>660</u>
Timing of revenue recognition:					
	(a)				
At a point in time		19,981	21,361	-	-
Over time		53,006	45,292	-	-
		<u>72,987</u>	<u>66,653</u>	-	-

(a) Disaggregation of revenue

The Group and the Company report the following major segments: hotel and resort management, property development, travel, support services and group management in accordance with MFRS 8 *Operating Segments*. For purpose of disclosure for disaggregation of revenue, it disaggregates revenue into major goods or services and timing of revenue recognition (i.e. goods transferred at a point in time, or services transferred over time).

For information about disaggregation of revenue into primary geographical market, refer to Note 29 to the financial statements.

(b) Transaction price allocated to the remaining performance obligations

The Group and the Company apply the practical expedient in Paragraph 121(a) of MFRS 15 and do not disclose information about remaining performance obligations that have original expected durations of one year or less.

Notes to the Financial Statements (Cont'd)

21. COST OF SALES

	Group	
	2024	2023
	RM'000	RM'000
Hotel and resort management	6,781	6,992
Property development	6,510	7,875
Tours operations and other travel related services	16,193	11,160
	29,484	26,027

22. FINANCE INCOME

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Interest income from short-term deposits	84	32	35	24
Interest income on financial instruments measured at amortised cost	-	-	2,662	813
	84	32	2,697	837

23. FINANCE COSTS

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Interest expense on:				
- Term loans	3,557	3,829	3,185	3,485
- Bank overdrafts	1,498	1,416	781	717
- Revolving credit	757	757	565	757
- Lease liabilities	317	152	-	-
- Hire purchase payables	10	6	-	-
Unwinding of discount on amount owing by a subsidiary	-	-	1,737	4
	6,139	6,160	6,268	4,963

Notes to the Financial Statements

(Cont'd)

24. LOSS BEFORE TAX

Other than disclosed elsewhere in the financial statements, the following items have been charged/(credited) in arriving at loss before tax:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
After charging:				
Auditors' remuneration				
- statutory audit				
- Baker Tilly Monteiro Heng PLT	249	249	68	68
- other auditors	87	87	-	-
- non-statutory audit				
- Baker Tilly Monteiro Heng PLT	6	6	6	6
Amortisation of intangible assets	4	-	-	-
Depreciation of:				
- investment properties	42	52	-	-
- property, plant and equipment	7,408	7,406	47	47
- right-of-use assets	2,867	2,332	-	-
Directors' remuneration:				
- fees	209	160	209	160
- other emoluments	150	204	150	204
- defined contribution plans	12	6	12	6
Expenses relating to short-term and low value assets leases	631	572	-	-
Net impairment losses on financial instruments	-	104	-	-
Net unrealised foreign exchange loss	-	-	758	592
Written off of:				
- amount owing by subsidiary	-	-	37	-
- investment in associates	-	-*	-	-
- property, plant and equipment	1	3	-	-
- trade and other receivables	-	14	-	-
Staff cost:				
- short-term benefits	16,301	14,266	1,470	936
- defined contribution plans	1,499	1,349	160	98
<hr/>				
After crediting:				
COVID-19 related rent concessions income	-	(113)	-	-
Gain on disposal of:				
- property, plant and equipment	-	(54)	-	-
- investment properties	(16)	(5)	-	-
Net impairment gain on financial instruments	(97)	-	-	-
Waiver of debts on amount owing to subsidiary	-	-	-	(1,547)
<hr/>				

Notes to the Financial Statements (Cont'd)

25. INCOME TAX EXPENSE

The major components of income tax expense for the financial years ended 31 March 2024 and 31 March 2023 are as follows:

	Group	
	2024	2023
	RM'000	RM'000
Statements of comprehensive income		
Current income tax:		
- Current income tax charge	(1,500)	(1,931)
- Adjustments in respect of prior year	19	271
	(1,481)	(1,660)
Deferred tax:		
- Current	1,299	1,501
- Adjustments in respect of prior year	139	51
	1,438	1,552
Income tax expense recognised in profit or loss	(43)	(108)

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% (2023: 24%) of the estimated assessable profit for the financial year. Taxation for other jurisdictions is calculated at the rate prevailing in the respective jurisdiction.

Notes to the Financial Statements (Cont'd)

25. INCOME TAX EXPENSE (CONTINUED)

The reconciliations from the tax amount at the statutory income tax rate to the Group's and the Company's tax expense are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Loss before tax	(5,508)	(5,294)	(6,814)	(4,840)
Tax at Malaysian statutory income tax rate of 24% (2023: 24%)	1,322	1,271	1,635	1,162
Different tax rates in other countries	95	57	-	-
Tax effects arising from:				
- Non-deductible expenses	(3,300)	(3,468)	(719)	(1,460)
- Income not subject to tax	1,806	716	639	577
- Origination of deferred tax assets not recognised	(1,644)	(181)	(1,555)	(279)
- Utilisation of previously unrecognised tax losses and other temporary differences	343	-	-	-
- Crystallisation of deferred tax liabilities	1,177	1,175	-	-
- Adjustment in respect of prior years:				
- income tax	19	271	-	-
- deferred tax	139	51	-	-
Income tax expense	(43)	(108)	-	-

26. LOSS PER SHARE

(a) Basic loss per ordinary share

Basic loss per share is based on the loss for the financial year attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the financial year, calculated as follows:

	Group	
	2024	2023
Loss attributable to owners of the Company (RM'000)	(5,756)	(4,762)
Weighted average number of ordinary shares in issue (unit '000)	1,133,288	1,133,288
Basic loss per ordinary share attributable to owners of the Company (sen)	(0.51)	(0.42)

Notes to the Financial Statements (Cont'd)

26. LOSS PER SHARE (CONTINUED)

(b) Diluted loss per ordinary share

Diluted loss per ordinary share is based on the loss for the financial year attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The basic and diluted loss per ordinary share is equal as the Group and the Company have no dilutive potential ordinary share(s).

27. RELATED PARTIES

(a) Identification of related parties

Parties are considered related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

Related parties of the Group include:

- (i) Subsidiaries;
- (ii) Entities in which directors have substantial financial interests; and
- (iii) Key management personnel of the Group's and the Company's comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

(b) Significant related party transactions

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows:

	Company	
	2024	2023
	RM'000	RM'000
Subsidiaries		
Management fee receivable/received	810	660
	810	660

The Company provides secured corporate guarantees to banks in respect of banking facilities granted to the subsidiaries as disclosed in Note 28(b)(i) to the financial statements.

Notes to the Financial Statements (Cont'd)

27. RELATED PARTIES (CONTINUED)

(c) Compensation of key management personnel

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Short-term employee benefits	2,261	2,004	1,384	999
Contributions to Employees' Provident Fund	203	176	151	88
	2,464	2,180	1,535	1,087

28. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

The financial instruments in the statements of financial position are being assigned as financial assets and financial liabilities at amortised cost.

	Carrying amount RM'000	Amortised cost RM'000
Group		
2024		
Financial assets		
Trade and other receivables *	6,080	6,080
Cash and short-term deposits	5,989	5,989
	12,069	12,069
Financial liabilities		
Loans and borrowings	(78,553)	(78,553)
Trade and other payables ^	(23,949)	(23,949)
	(102,502)	(102,502)
2023		
Financial assets		
Trade and other receivables *	6,985	6,985
Cash and short-term deposits	10,824	10,824
	17,809	17,809
Financial liabilities		
Loans and borrowings	(89,915)	(89,915)
Trade and other payables ^	(21,602)	(21,602)
	(111,517)	(111,517)

* Exclude GST refundable

^ Exclude SST payable.

Notes to the Financial Statements

(Cont'd)

28. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Classification of financial instruments (continued)

The financial instruments in the statements of financial position are being assigned as financial assets and financial liabilities at amortised cost (continued).

	Carrying amount RM'000	Amortised cost RM'000
Company		
2024		
Financial assets		
Trade and other receivables	10	10
Amount owing by subsidiaries	8,523	8,523
Cash and short-term deposits	2,338	2,338
	10,871	10,871
Financial liabilities		
Loans and borrowings	(62,669)	(62,669)
Trade and other payables	(6,688)	(6,688)
Amount owing to subsidiaries	(58,377)	(58,377)
	(127,734)	(127,734)
2023		
Financial assets		
Trade and other receivables	20	20
Amount owing by subsidiaries	5,335	5,335
Cash and short-term deposits	6,816	6,816
	12,171	12,171
Financial liabilities		
Loans and borrowings	(72,726)	(72,726)
Trade and other payables	(6,105)	(6,105)
Amount owing to subsidiaries	(49,120)	(49,120)
	(127,951)	(127,951)

Notes to the Financial Statements (Cont'd)

28. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management

The Group's and the Company's activities are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, foreign currency risk and interest rate risk. The Group's and the Company's overall financial risk management objective is to optimize value for their shareholders. The Group and the Company do not use derivative financial instruments to hedge certain exposures and do not trade in financial instruments.

The Board of Directors reviews and agrees to policies and procedures for the management of these risks, which are executed by the Group's senior management. The audit committee provides independent oversight to the effectiveness of the management process.

(i) Credit risk

Credit risk is the risk of financial loss to the Group and the Company that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group and the Company are exposed to credit risk from their operating activities (primarily trade receivables) and from their investing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Group and the Company have a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures. Credit worthiness of a customer is assessed based on a set of evaluation criteria and individual credit limits are defined in accordance with this assessment.

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

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

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

- significant financial difficulty of the counterparty;
- a breach of contract, including a default event;
- a concession or restructuring of loans granted by the lender of the counterparty relating to the counterparty's financial difficulty; or
- it is probable that the counterparty will enter bankruptcy or other financial reorganisation.

Notes to the Financial Statements (Cont'd)

28. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

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

Trade receivables

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables is represented by the carrying amounts in the statements of financial position.

The carrying amount of trade receivables is not secured by any collateral or supported by any other credit enhancements. The Group has adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group uses ageing analysis to monitor the credit quality of trade receivables. In managing credit risks of trade receivables, the Group also takes appropriate actions (including but not limited to legal actions) to recover long past due balances.

Credit risk concentration profile

The Group determines the credit risk concentration of its trade receivables by industry sector profile on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the reporting date are as follows:

	Group			
	2024		2023	
	RM'000	%	RM'000	%
Trade receivables				
Hotel	606	15%	1,992	39%
Property development	2,657	66%	3,112	60%
Travel and tours	751	19%	67	1%
	4,014	100%	5,171	100%

Notes to the Financial Statements (Cont'd)

28. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Trade receivables (continued)

The information about the credit risk exposure on the Group's trade receivables is as follows:

	Gross carrying amount RM	Impairment loss RM	Net balance RM
Group			
Trade receivables			
2024			
Current (not past due)	485	-	485
1 - 30 days past due	717	-	717
31 to 60 days past due	642	-	642
61 to 90 days past due	235	-	235
More than 90 days past due	2,312	(377)	1,935
	4,391	(377)	4,014
2023			
Current (not past due)	3,265	-	3,265
1 - 30 days past due	910	-	910
31 to 60 days past due	164	-	164
61 to 90 days past due	70	-	70
More than 90 days past due	1,236	(474)	762
	5,645	(474)	5,171

Other receivables and other financial assets

For other receivables and other financial assets (including cash and cash equivalents), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables and other financial assets is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

Notes to the Financial Statements (Cont'd)

28. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Other receivables and other financial assets (continued)

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model. Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

Some intercompany balances between entities within the Group comprise loans or advances which are repayable on demand. The Company regularly monitors the financial performance and position of these entities on an individual basis. When these entities' financial performance and position deteriorates significantly, the Company assumes that there is a significant increase in credit risk, and thereby a lifetime expected credit loss assessment is necessary. As the Company is able to determine the timing of repayment of the loans or advances, the Company will consider the loans or advances to be in default when these entities are unable to pay based on the expected manner of recovery and recovery period. The Company determines the probability of default for these loans or advances using internally available information. The Company considers the loans or advances to be credit-impaired when the entities are unlikely to repay their debts.

As at the end of the reporting date, other than credit-impaired other receivables, the Group and the Company consider the other receivables and other financial assets as low credit risk and any loss allowance would be negligible.

Financial guarantee contracts

The Company is exposed to credit risk in relation to financial guarantees given to banks in respect of credit facilities granted to certain subsidiaries. The Company monitors the results of the subsidiaries and their repayment on an on-going basis. The maximum exposure to credit risks amounts to RM15,366,000 (2023: RM16,634,000) representing the maximum amount the Company could pay if the guarantee is called on as disclosed in Note 28(b)(ii) to the financial statements. As at the reporting date, there was no loss allowance for impairment as determined by the Company for the financial guarantee.

The financial guarantees have not been recognised since the fair value on initial recognition was not material as the guarantee is provided as credit enhancement to subsidiaries' secured borrowings.

(ii) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arise primarily from mismatches of the maturities between financial assets and liabilities. The Group's and the Company's exposure to liquidity risk arise principally from trade and other payables, loans and borrowings.

Notes to the Financial Statements (Cont'd)

28. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(ii) Liquidity risk (continued)

The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through use of stand-by facilities. The Group and the Company maintain sufficient liquidity and available funds to meet daily cash needs, while maintaining controls and security over cash movements. The Group and the Company use a series of processes to obtain maximum benefits from its flow of funds, such that they are efficiently managed to maximise income from investment and minimise costs on borrowed funds. The Group also ensure that there are sufficient unutilised stand-by facilities, funding and liquid assets available to meet both short-term and long-term funding requirements.

Maturity analysis

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date based on contractual undiscounted repayment obligations are as follows:

	<-----Contractual cash flows----->				
	On demand	or within 1 year	1 to 5 years	More than 5 years	Total
	Carrying amounts RM'000	RM'000	RM'000	RM'000	RM'000
Financial liabilities					
Group					
2024					
Trade and other payables *	23,949	23,949	-	-	23,949
Term loans	52,817	11,782	38,287	12,523	62,592
Bank overdrafts	19,432	21,016	-	-	21,016
Revolving credit	6,300	6,664	-	-	6,664
Lease liabilities	4,975	2,390	2,904	-	5,294
Hire purchase payables	4	5	-	-	5
	107,477	65,806	41,191	12,523	119,520

Notes to the Financial Statements (Cont'd)

28. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(ii) Liquidity risk (continued)

Maturity analysis (continued)

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date based on contractual undiscounted repayment obligations are as follows (continued):

	<-----Contractual cash flows----->				
	Carrying amounts RM'000	On demand or within 1 year RM'000	1 to 5 years RM'000	More than 5 years RM'000	Total RM'000
Financial liabilities					
Group					
2023					
Trade and other payables *	21,602	21,602	-	-	21,602
Term loans	57,291	8,315	49,871	12,524	70,710
Bank overdrafts	24,168	25,059	1,082	-	26,141
Revolving credit	8,400	7,661	1,348	-	9,009
Lease liabilities	576	437	188	-	625
Hire purchase payables	56	58	5	-	63
	112,093	63,132	52,494	12,524	128,150
Company					
2024					
Trade and other payables	6,688	6,688	-	-	6,688
Term loans	47,600	10,002	34,343	12,523	56,868
Bank overdrafts	8,769	9,487	-	-	9,487
Revolving credit	6,300	6,664	-	-	6,664
Amount owing to subsidiaries	58,377	18,415	49,404	-	67,819
Financial guarantees contracts	-	15,366	-	-	15,366
	127,734	66,622	83,747	12,523	162,892

Notes to the Financial Statements (Cont'd)

28. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(ii) Liquidity risk (continued)

Maturity analysis (continued)

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date based on contractual undiscounted repayment obligations are as follows (continued):

	<-----Contractual cash flows----->				
	Carrying amounts RM'000	On demand or within 1 year RM'000	1 to 5 years RM'000	More than 5 years RM'000	Total RM'000
Company					
Financial liabilities					
2023					
Trade and other payables	6,105	6,105	-	-	6,105
Term loans	52,400	8,027	44,434	12,524	64,985
Bank overdraft	11,926	12,903	-	-	12,903
Revolving credit	8,400	7,661	1,348	-	9,009
Amount owing to subsidiaries	49,120	29,259	32,335	-	61,594
Financial guarantees contracts	-	16,634	-	-	16,634
	127,951	80,589	78,117	12,524	171,230

* Exclude SST payable.

(iii) Foreign currency risk

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of a financial instrument as results of changes in foreign exchange rates. The Group's and the Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's and the Company's operating activities (when sales and purchases are denominated in a foreign currency) and the Group's net investments in foreign subsidiaries.

The Group and the Company do not engage in foreign currency hedging on its foreign currency exposures but the management is monitoring these exposures on an ongoing basis.

Notes to the Financial Statements

(Cont'd)

28. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(iii) Foreign currency risk (continued)

Management has set up a policy that requires all companies within the Group and the Company to manage their treasury activities and exposures. The Group and the Company also take advantage of any natural effects of its foreign currencies revenues and expenses by maintaining current accounts in foreign currencies.

The Group's and the Company's unhedged financial assets and liabilities that are not denominated in their functional currencies are as follows:

	← Denominated in →		
	SGD RM'000	HKD RM'000	Total RM'000
Group			
Financial assets and liabilities not held in functional currencies:			
2024			
Cash and short-term deposits	-	2	2
2023			
Cash and short-term deposits	-	2	2
Company			
Financial assets and liabilities not held in functional currencies:			
2024			
Cash and short-term deposits	-	2	2
Amount owing to subsidiaries	(4,194)	(7,898)	(12,092)
Net exposure	(4,194)	(7,896)	(12,090)
2023			
Cash and short-term deposits	-	2	2
Amount owing to subsidiaries	(3,885)	(7,351)	(11,236)
Net exposure	(3,885)	(7,349)	(11,234)

Notes to the Financial Statements (Cont'd)

28. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(iii) Foreign currency risk (continued)

Sensitivity analysis for foreign currency risk

The Group's and Company's principal foreign currency exposure relates mainly to Singapore Dollar ("SGD") and Hong Kong Dollar ("HKD").

The following table demonstrates the sensitivity to a reasonably possible change in the SGD and HKD, with all other variables held constant on the Group's and the Company's total equity and profit or loss for the financial year.

	Change in rate	Effect on profit or loss for the financial year	
		2024 RM'000	2023 RM'000
Group			
- HKD	+ 10%	- *	- *
	- 10%	- *	- *
Company			
- SGD	+ 10%	(319)	(295)
	- 10%	319	295
- HKD	+ 10%	(600)	(559)
	- 10%	600	559

* Representing amount less than RM1,000.

Notes to the Financial Statements (Cont'd)

28. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(iv) Interest rate risk

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Group's and the Company's financial instruments as results of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from their long-term loans and borrowings with floating interest rates. The Group's and the Company's do not hedge their interest rate.

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant on the Group's and the Company's total equity and profit/(loss) for the financial year.

	Change in basis points	Effect on profit/(loss) for the financial year RM'000	Effect on equity RM'000
Group			
31 March 2024	+ 100	734	734
	- 100	(734)	(734)
31 March 2023	+ 100	840	840
	- 100	(840)	(840)
Company			
31 March 2024	+ 100	576	576
	- 100	(576)	(576)
31 March 2023	+ 100	668	668
	- 100	(668)	(668)

Notes to the Financial Statements (Cont'd)

28. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value measurement

The carrying amounts of cash and cash equivalents, short-term receivables and payables and short-term borrowings reasonably approximate to their fair values due to the relatively short-term nature of these financial instruments.

There have been no transfers between Level 1 and Level 2 during the financial year (2023: no transfer in either direction).

The following table provides the fair value measurement hierarchy of the Company's financial instruments:

Carrying amount Total RM'000	Fair value of financial statements not carried at fair value				Total RM'000
	Fair value				
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	
Company					
31 March 2024					
Financial assets					
Amount owing by subsidiaries	7,812	-	-	7,812	7,812
Financial liabilities					
Amount owing to subsidiaries	(41,962)	-	-	(41,962)	(41,962)
<hr/>					
31 March 2023					
Financial assets					
Amount owing by subsidiaries	4,687	-	-	4,687	4,687
Financial liabilities					
Amount owing to subsidiaries	(27,861)	-	-	(27,861)	(27,861)
<hr/>					

Level 3 fair value

Fair value of financial instruments not carried at fair value

The fair value of the amount owing by/(to) subsidiaries are determined using the discounted cash flows method based on discount rates that reflect the issuer's borrowing rate as at the end of the reporting period.

The fair value hierarchy is not presented for those financial assets and financial liabilities of the Group and the Company which are not carried at fair value for any valuation method.

Notes to the Financial Statements (Cont'd)

29. SEGMENT INFORMATION

The Group prepared the segment information in accordance with MFRS 8 *Operating Segments* based on the internal reports on the Group's strategic business units which are regularly reviewed by the Board of Directors in order to allocate resources to the segments and to assess their performances.

For management purposes, the Group is organised into the following operating divisions:

- Hotel management
- Property development
- Travel
- Support services and group management

Factors used to identify reportable segments

Hotel management segment, property development segment, travel segment and support services and group management segment are organised and identified as separate reportable segments due to the nature of the principal activities in which the business operates.

Inter-segment pricing is determined on a negotiated basis.

Segment profit

Segment performance is used to measure performance as the Group's directors believe that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Performance is evaluated based on operating profit or loss which is measured differently from operating profit or loss in the consolidated financial statements.

Segment assets

The total of segment assets is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the Group's directors.

Segment liabilities

Segment liabilities are not included in the internal reports that are reviewed by the Group's directors. Hence, no disclosures are made on segment liabilities.

Notes to the Financial Statements

(Cont'd)

29. SEGMENT INFORMATION (CONTINUED)

Group	Note	Hotel management		Property development		Travel		Support services and group management		Elimination	Total
		Malaysia RM'000	Overseas RM'000	Malaysia RM'000	Overseas RM'000	Malaysia RM'000	Overseas RM'000	Malaysia RM'000	Overseas RM'000		
2024											
Revenue											
External customers		37,852	-	15,060	-	20,075	-	-	-	-	72,987
Inter-segment	A	4,033	-	-	-	-	-	1,351	(5,384)		-
		41,885	-	15,060	-	20,075	-	1,351	(5,384)		72,987
Results											
Segment loss	B	(184)	(117)	(1,156)	(7)	1,377	(5,421)	-	-		(5,508)
(Loss)/Profit before tax		(184)	(117)	(1,156)	(7)	1,377	(5,421)	-	-		(5,508)
Income tax expense		(128)	-	83	3	-	(1)	-	-		(43)
(Loss)/Profit for the financial year		(312)	(117)	(1,073)	(4)	1,377	(5,422)	-	-		(5,551)
Income:											
Gain on disposal of investment properties		-	-	(16)	-	-	-	-	-		(16)
Interest income		(295)	-	(8,662)	(21)	(22)	(4,433)	13,349			(84)
Reversal of impairment losses on trade receivables		-	-	(97)	-	-	-	-	-		(97)

Notes to the Financial Statements

(Cont'd)

29. SEGMENT INFORMATION (CONTINUED)

Group	Hotel management		Property development		Travel		Support services and group management		Elimination	Total
	Malaysia	Overseas	Malaysia	Overseas	Malaysia	Overseas	Malaysia	Overseas		
Note	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2024										
Expense:										
Amortisation of intangible asset	4	-	-	-	-	-	-	-	-	4
Depreciation of:										
- investment properties	-	-	42	-	-	-	-	-	-	42
- property, plant and equipment	5,955	33	1,260	18	55	87	-	-	-	7,408
- right-of-use assets	2,333	45	377	-	112	-	-	-	-	2,867
Finance costs	4,149	15	8,695	25	41	6,563	(13,349)	-	-	6,139
Written off of property, plant and equipment	1	-	-	-	-	-	-	-	-	1
Segment assets	C	184,602	622	174,410	117	3,934	11,760	-	-	375,445
Additions to non-current assets (other than financial instruments and deferred tax assets):										
- property, plant and equipment	629	40	61	-	7	3	-	-	-	740
- right-of-use assets	6,262	-	-	-	-	-	-	-	-	6,262
	6,891	40	61	-	7	3	-	-	-	7,002

Notes to the Financial Statements (Cont'd)

29. SEGMENT INFORMATION (CONTINUED)

Group	Note	Hotel management		Property development		Travel		Support services and group management		Total
		Malaysia RM'000	Overseas RM'000	Malaysia RM'000	Overseas RM'000	Malaysia RM'000	Overseas RM'000	Malaysia RM'000	Overseas RM'000	
2023										
Revenue										
External customer		38,769	140	13,606	-	14,138	-	-	-	66,653
Inter-segment	A	3,205	-	-	-	-	1,211	(4,416)	-	-
		41,974	140	13,606	-	14,138	1,211	(4,416)	-	66,653
Results										
Segment loss	B	4,459	(333)	(3,413)	(39)	(308)	(5,660)	-	-	(5,294)
Profit/(Loss) before tax		4,459	(333)	(3,413)	(39)	(308)	(5,660)	-	-	(5,294)
Income tax expense		(185)	-	84	1	-	(8)	-	-	(108)
Profit/(Loss) for the financial year		4,274	(333)	(3,329)	(38)	(308)	(5,668)	-	-	(5,402)
Income:										
Gain on disposal of:		(54)	-	-	-	-	-	-	-	(54)
- plant and equipment		-	-	(5)	-	-	-	-	-	(5)
- investment properties		(276)	-	(3,421)	(14)	(1)	(837)	4,517	-	(32)
Interest income										

Notes to the Financial Statements (Cont'd)

29. SEGMENT INFORMATION (CONTINUED)

Group	Note	Hotel management		Property development		Travel		Support services and group management		Total
		Malaysia RM'000	Overseas RM'000	Malaysia RM'000	development RM'000	Malaysia RM'000	Overseas RM'000	management RM'000	Elimination RM'000	
2023										
Expense:										
Depreciation of:										
- investment properties		-	-	52	-	-	-	-	-	52
- property, plant and equipment		5,941	26	1,277	18	54	90	-	-	7,406
- right-of-use assets		1,825	44	377	-	86	-	-	-	2,332
Finance costs		1,622	19	3,435	10	39	5,552	(4,517)	-	6,160
Impairment loss on trade and other receivables		-	-	104	-	-	-	-	-	104
Written off on:										
- plant and equipment		-	-	3	-	-	-	-	-	3
- trade receivables		-	-	14	-	-	-	-	-	14
Segment assets	C	164,013	608	173,928	135	4,080	16,331	-	-	359,095
Additions to non-current assets (other than financial instruments and deferred tax assets):										
- Property, plant and equipment		1,253	9	68	-	14	17	-	-	1,361
- Right-of-use assets		-	-	-	-	217	-	-	-	217
		1,253	9	68	-	231	17	-	-	1,578

Notes to the Financial Statements (Cont'd)

29. SEGMENT INFORMATION (CONTINUED)

Reconciliation of reportable segment revenue, profit or loss, assets and other material items are as follows:

Nature of elimination to arrive at amounts reported in the consolidated financial statements:

A Inter-segment revenue

Inter-segment revenues are eliminated on consolidation.

B Reconciliation of profit or loss

	Group	
	2024 RM'000	2023 RM'000
Elimination of inter-segment unrealised profits	(2,367)	209

C Reconciliation of assets

	Group	
	2024 RM'000	2023 RM'000
Inter-segment assets	(509,699)	(518,965)

Geographical information

Disaggregation of revenue and non-current assets information based on the geographical location of customers are as follows:

	Hotel management RM'000	Property development RM'000	Travel RM'000	Total revenue RM'000	Total non-current assets RM'000
2024					
Malaysia	37,319	15,060	-	52,379	306,081
Hong Kong	-	-	14,209	14,209	22
Singapore	-	-	5,866	5,866	40
Indonesia	533	-	-	533	549
	37,852	15,060	20,075	72,987	306,692
2023					
Malaysia	38,769	13,606	-	52,375	281,105
Hong Kong	-	-	8,315	8,315	68
Singapore	-	-	5,823	5,823	143
Indonesia	140	-	-	140	579
	38,909	13,606	14,138	66,653	281,895

Notes to the Financial Statements (Cont'd)

29. SEGMENT INFORMATION (CONTINUED)

Information about major customers

Information about major customers is not disclosed as the Group does not have customers with revenue more than 10% of the Group's total revenue.

30. CAPITAL MANAGEMENT

The Group's and the Company's primary objective when managing capital is to maintain a strong capital base and safeguard the Group's and the Company's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Group and the Company manage their capital structure and make adjustments to it in light of changes in economic conditions and the risk characteristic of the underlying assets. To maintain and or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or reduce borrowings.

There were no changes made to the capital management objectives, policies and processes of the Group during the financial year.

The Group and the Company monitor capital on the basis of the debt-to-equity ratio. The ratio is calculated as net debts divided by total capital. The debt-to-equity ratio are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Loans and borrowings	78,553	89,915	62,669	72,726
Less: Cash and short-term deposits	(5,989)	(10,824)	(2,338)	(6,816)
Net debts	<u>72,564</u>	<u>79,091</u>	<u>60,331</u>	<u>65,910</u>
Total equity	<u>225,408</u>	<u>208,685</u>	<u>87,968</u>	<u>94,782</u>
Debt-to-equity ratio (%)	<u>32</u>	<u>38</u>	<u>69</u>	<u>70</u>

There were no changes in the Group's and the Company's approach to capital management during the financial year.

The Group and the Company are not exposed to any externally imposed capital requirements.

Debt-to-equity ratios are not governed by the MFRSs and their definitions and calculations may vary between reporting entities.

Notes to the Financial Statements

(Cont'd)

31. COMPARATIVE FIGURES

During the financial year, the Group made retrospective adjustments to adjust the foreign translation reserves and accumulated losses of its foreign operations for the financial years ended 31 March 2023 and 1 April 2022.

A third statements of financial position is not presented as the adjustments have no effects on the information in the statements of financial position as at the beginning of the preceding period.

As such, the audited financial statements at 31 March 2023 and 1 April 2022 were restated as follows:

	As previously reported RM'000	Adjustments RM'000	As restated RM'000
Group			
As at 31 March 2023			
Statements of changes in equity			
Foreign currency translation reserve	9,234	(3,240)	5,994
Revaluation reserve	94,668	599	95,267
Accumulated losses	(133,772)	2,641	(131,131)
<hr/>			
As at 1 April 2022			
Statements of changes in equity			
Foreign currency translation reserve	8,795	(3,240)	5,555
Revaluation reserve	98,385	599	98,984
Accumulated losses	(132,731)	2,641	(130,090)
<hr/>			

There are no material impacts on the statements of financial position, statements of comprehensive income, basic and diluted loss per share or statements of cash flows of the Group and the financial statements of the Company.

STATEMENT BY DIRECTORS

(Pursuant to Section 251(2) of the Companies Act 2016)

We, **TAN SRI DATO' SRI DR. SAMSUDIN BIN HITAM** and **STEPHEN GEH SIM WHYE**, being two of the directors of **AVILLION BERHAD**, do hereby state that in the opinion of the directors, the accompanying financial statements set out on pages 68 to 146 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2024 and of their financial performance and cash flows of the Group and of the Company for the financial year then ended.

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

.....
TAN SRI DATO' SRI DR. SAMSUDIN BIN HITAM
Director

.....
STEPHEN GEH SIM WHYE
Director

Kuala Lumpur

Date: 29 July 2024

STATUTORY DECLARATION

(Pursuant to Section 251(1) of the Companies Act 2016)

I, **CHONG SET FUI**, being the officer primarily responsible for the financial management of **AVILLION BERHAD**, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements set out on pages 68 to 146 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.

.....
CHONG SET FUI
(MIA Membership No.: 10921)

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on 29 July 2024.

Before me,

.....
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

To the Members of Avillion Berhad (Incorporated in Malaysia)

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of Avillion Berhad, which comprise the statements of financial position as at 31 March 2024 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 68 to 146.

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

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Independent Auditors' Report

(Cont'd)

Material Uncertainty Related to Going Concern

We draw attention to Note 2.6 to the financial statements, which disclosed that the Group and the Company incurred a net loss of RM5,551,000 and RM6,814,000 respectively during the financial year ended 31 March 2024, thereby indicating the existence of a material uncertainty which may cast significant doubt about the Group's and the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Material Uncertainty Related to Going Concern section, we have determined the matters below to be the key audit matters to be communicated in our report.

Group

Revaluation of land and buildings (Note 5 and 6(a) to the financial statements)

The Group has land and buildings carried at revalued amount. Valuation of these assets is based on valuation performed by external independent valuers.

We focus on this area because judgement is made in determining the appropriate valuation methods and the key assumptions used in the valuations. These judgements and assumptions involve inputs which are inherently uncertainty.

Our response:

Our audit procedures include, among others:

- understanding the competency, capabilities and objectivity of the external independent valuers which includes consideration of their qualifications and experience;
- understanding the scope and purpose of the valuation by reading the terms of engagement to assess whether any matters that might have affected the valuer's objectivity or restricted the scope of their work; and
- reading the valuation reports for all significant properties and discussing with external independent valuers on their valuation approach and the significant judgements they made, including the selection of comparable properties and adjustments for differences in key attributes made to the comparable properties.

Independent Auditors' Report

(Cont'd)

Key Audit Matters (Continued)

Group (Continued)

Inventories (Note 8 to the financial statements)

The Group has significant balances of completed properties and properties held for development as at 31 March 2024.

We focused on this area because the assessment of the net realisable value of these completed properties and properties held for development requires the application of significant judgements made by the directors.

Our response:

Our audit procedures include, among others:

- understanding the assumption used by the directors in determining the value of properties;
- understanding the competency, capabilities and objectivity of the external independent valuers which included consideration of their qualifications and experience for the completed properties and properties held for development which directors had relied on the independent valuations;
- understanding the scope and purpose of the valuation by reading the terms of engagement to assess whether any matters that might have affected their objectivity or restricted the scope of their work; and
- reading the valuation reports for selected significant properties and discussing with external independent valuers on their valuation approach and the significant judgements they made, including the selection of comparable properties and adjustments for differences in key attributes made to the comparable properties.

Company

We have determined that there are no key audit matters to communicate in our report which arose from the audit of the financial statements of the Company.

Independent Auditors' Report (Cont'd)

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Independent Auditors' Report (Cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

Independent Auditors' Report (Cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 10 to the financial statements.

Other Matters

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

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

Ong Teng Yan
No. 03076/07/2025 J
Chartered Accountant

Kuala Lumpur

Date: 29 July 2024

LIST OF TOP 12 PROPERTIES

by value as at 31 March 2024

No	Location	Description/ Existing Use	Tenure	Age of Building	Land Area (sq. ft.)	Net Book Value (RM'000)	Revaluation Date/ Date of Acquisition
Avillion Hotel, Port Dickson							
1a.	C.T. 5972, Lot 1273, 3rd Mile, Mukim Si Rusa, Daerah Port Dickson, Negeri Sembilan	consists of hotel, water villas, water chalets, meeting rooms, spa, F&B outlets and other facilities	Freehold	27 years	15,518	150,000	31.03.2024
1b.	H.S.(D) 12303, 15353 and 18191, 3rd Mile, Mukim Si Rusa, Daerah Port Dickson, Negeri Sembilan.		Leasehold (99 years expiry -2095)	26 years	543,879		
2.	C.T. 2977, Lot 312, 3rd Mile, Mukim Si Rusa, Daerah Port Dickson, Negeri Sembilan	Car Parks	Freehold	–	124,420	6,350	25.04.2022
Admiral Cove, Port Dickson							
3.	H.S.(D) 13643 and 19662, 5th Mile, Mukim Si Rusa, Daerah Port Dickson, Negeri Sembilan.	Admiral Cove Premier Integrated Marina Resort	Leasehold (99 years expiry-2094)	26 years	969,752	67,000	31.03.2024
4.	H.S.(D) 18699 PT 3413, Mukim Si Rusa, Daerah Port Dickson, Negeri Sembilan.	Land for development	Leasehold (99 years expiry-2097)	–	1,077,262	9,654	18.05.2004
5.	H.S.(D) 18698 PT 3412, Mukim Si Rusa, Daerah Port Dickson, Negeri Sembilan.	Land for development	Leasehold (99 years expiry-2097)	–	226,440	4,469	18.05.2004
6.	H.S.(D) 24667 PT 215, 5th Mile, Mukim Pekan, Teluk Kemang, Daerah Port Dickson, Negeri Sembilan	Land for development	Leasehold (99 years expiry-2102)	–	475,349	8,301	06.06.2002
Port Dickson							
7.	Lot 307 Geran 52795 Mukim Si Rusa Daerah Port Dickson Negeri Sembilan	Land for development	Freehold	–	145,657	9,316	02.07.2013
8.	Lot 43 & 44 Geran 76526 & 64282 Mukim Si Rusa, Daerah Port Dickson, Negeri Sembilan.	Land for development	Freehold	–	41,246	2,305	28.06.2017
9.	Lot 5823 Geran 239972 Mukim Si Rusa, Daerah Port Dickson, Negeri Sembilan.	Land for development (currently used as event venue)	Freehold	–	40,300	2,308	24.08.2007

List of Top 12 Properties (Cont'd)

No	Location	Description/ Existing Use	Tenure	Age of Building	Land Area (sq. ft.)	Net Book Value (RM'000)	Revaluation Date/ Date of Acquisition
Kuala Lumpur							
10a.	Geran Mukim 815, No. Lot 2694, Mukim Setapak, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan KL	Land for development	Freehold	–	68,028	17,249	31.01.2011
10b.	Geran Mukim 816, No. Lot 2695, Mukim Setapak, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan KL.	Land for development	Freehold	–	61,247		
10c.	Geran Mukim 814, No. Lot 2696, Mukim Setapak, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan KL.	Land for development	Freehold	–	66,736		
10d.	Geran Mukim 817, No. Lot 2697, Mukim Setapak, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan KL.	Land for development	Freehold	–	65,337		
10e.	Geran Mukim 818, No. Lot 2698, Mukim Setapak, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan KL.	Land for development	Freehold	–	63,938		
Langkawi							
11.	H.S.(D) 1/96, P.T. No 703, Mukim Kedawang, District of Langkawi, Kedah	Land for development	Freehold	–	478,025	17,525	27.10.2010
Bali, Indonesia							
12.	SHM No. 2354, 2572 & 2570 Jalan Danau Tamblingan No.75A Kelurahan Sanur Kecamatan Denpasar Selatan Kota Denpasar, Provinsi Bali	consists of villas, F&B outlets and other facilities	Freehold	–	45,972	13,268	01.04.2022

ANALYSIS OF SHAREHOLDINGS

as at 28 JUNE 2024

Issued Share Capital	:	RM 62,330,845.50
Total Number of Issued Shares	:	1,133,288,100 ordinary shares
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote per ordinary share held

DISTRIBUTION OF SHAREHOLDINGS AS AT 28 JUNE 2024

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shares Held
less than 100	585	9.17	15,160	0.00
100 to 1,000	831	13.03	342,508	0.03
1,001 to 10,000	1,825	28.62	11,521,689	1.02
10,001 to 100,000	2,451	38.44	94,883,303	8.37
100,001 to 56,664,404 (*)	685	10.74	1,026,525,440	90.58
56,664,405 AND ABOVE (**)	0	0.00	0	0.00
TOTAL	6,377	100.00	1,133,288,100	100.00

REMARKS : * - LESS THAN 5% OF ISSUED HOLDINGS
** - 5% AND ABOVE OF ISSUED HOLDINGS

REGISTER OF SUBSTANTIAL SHAREHOLDERS

No.	Name of Shareholders	Direct Interest		Indirect Interest	
		No. of Shares held	% of Issued Capital	No. of Shares held	% of Issued Capital
1.	Ibu Kota Developments Sdn Bhd	247,297,590	21.82	–	–
2.	Daza Holdings Sdn Bhd	–	–	247,297,590*	21.82
3.	Datuk Md Wira Dani Bin Abdul Daim	–	–	247,297,590**	21.82

* Deemed interested by virtue of direct interest in Ibu Kota Developments Sdn Bhd pursuant to Section 8 of the Companies Act, 2016.

** Deemed interested by virtue of their interest in Daza Holdings Sdn Bhd pursuant to Section 8 of the Companies Act, 2016.

DIRECTOR'S SHAREHOLDINGS

	Direct Interest		Indirect Interest	
	No. of Shares	% of Issued Capital	No. of Shares held	% of Issued Capital
Tan Sri Dato' Sri Dr. Samsudin Bin Hitam	–	–	–	–
Fong Wai Leong	–	–	–	–
Stephen Geh Sim Whye	–	–	–	–
Rungjit Singh A/L Jaswant Singh	–	–	–	–
Taufiq Bin Abdul Khalid	–	–	–	–
Datin Norizan Binti Idris	–	–	–	–

Analysis of Shareholdings (Cont'd)

THIRTY (30) LARGEST SHAREHOLDERS

NO.	NAME	HOLDINGS	%
1	IBU KOTA DEVELOPMENTS SDN BHD	227,276,140	20.05
2	MAGICAL ZONE SDN BHD	48,300,000	4.26
3	LANDBELT CORPORATION SDN BHD	42,957,000	3.79
4	HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR BANK JULIUS BAER & CO. LTD. (SINGAPORE BCH)	42,809,520	3.78
5	YAYASAN POK RAFAEH, BERDAFTAR	41,649,900	3.68
6	DREAM CRUISER SDN. BHD.	33,850,500	2.99
7	MERCSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR OASIS HARVEST HOLDINGS SDN BHD	32,100,453	2.83
8	HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR CLEARSTREAM BANKING S.A.	28,257,187	2.49
9	GIGANTIC PROMOTIONS SDN. BHD.	23,707,125	2.09
10	IBU KOTA DEVELOPMENTS SDN BHD	20,021,450	1.77
11	LEONG POH HOONG	20,000,000	1.76
12	GIGANTIC PROMOTIONS SDN. BHD.	18,500,000	1.63
13	MOHAMMED FEROUZ BIN MOHAMMED ILYAS	15,000,000	1.32
14	LANDBELT CORPORATION SDN BHD	13,111,400	1.16
15	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR MUKHRIZ MAHATHIR (PB)	11,900,000	1.05
16	KHADIJAH BINTI ABDUL KHALID	10,023,600	0.88
17	CHOW LING TZE	10,000,000	0.88
18	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG KOK THYE	10,000,000	0.88
19	VAERSA CAPITAL SDN BHD	9,493,500	0.84
20	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SIVASANGARAN A/L GOPALLU	7,774,500	0.69
21	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR VIVEK A/L SASHEENDRAN (7006870)	6,561,800	0.58
22	RAMNATH A/L R.SUNDARAM	6,400,000	0.56
23	VAERSA CAPITAL LIMITED	6,333,800	0.56
24	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SULAIMAN ABDUL RAHMAN B ABDUL TAIB	6,086,000	0.54
25	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR MAZMUR CAPITAL SDN BHD (PB)	6,000,000	0.53
26	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR YEO JIN HUI	5,500,000	0.49
27	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR DATO' SRI GAN CHOW TEE	5,500,000	0.49
28	CHIN TZE KAI	5,237,000	0.46
29	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN LEE KAU	5,165,600	0.46
30	M-OCEAN HOLDINGS SDN BHD	5,147,915	0.45
	TOTAL	724,664,390	63.94

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirty-Second (“32nd”) Annual General Meeting of **AVILLION BERHAD** (“the **Company**”) will be held and conducted on a virtual basis through live streaming and online remote participation and voting from the broadcast venue at the **Boardroom, Level 9, Wisma YPR, No. 1, Lorong Kapar, Off Jalan Syed Putra, 58000 Kuala Lumpur, Wilayah Persekutuan (KL)** on **Thursday, 12 September 2024** at **11.00 a.m.** or any adjournment thereof for the purpose of transacting the following businesses:-

AGENDA

Ordinary Resolutions

1. To receive the Audited Financial Statements for the financial year ended 31 March 2024 together with the Directors’ and Auditors’ Report thereon. (Explanatory Note 1)
2. To re-elect Mr. Rungit Singh A/L Jaswant Singh who is retiring by rotation pursuant to Clause 100 of the Company’s Constitution and who being eligible, has offered himself for re-election. Resolution 1
(Explanatory Note 2)

Tan Sri Dato’ Sri Dr. Samsudin bin Hitam who is also retiring by rotation pursuant to Clause 100 of the Company’s Constitution and who being eligible, has opted not to stand for re-election. Hence, he will retain office until the close of the 32nd AGM.
3. To re-elect Mr. Fong Wai Leong who is retiring pursuant to Clause 107 of the Company’s Constitution and being eligible, has offered himself for re-election. Resolution 2
(Explanatory Note 3)
4. To approve the payment of Directors’ fees and other emoluments of RM257,234.00 for the financial year ended 31 March 2024. Resolution 3
5. To approve the payment of Directors’ fees and benefits to Non-Executive Directors up to an amount not exceeding RM380,000.00 from 1 April 2024 until the next Annual General Meeting. Resolution 4
(Explanatory Note 4)
6. To re-appoint Messrs. Baker Tilly Monteiro Heng PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. Resolution 5

Any Other Business

7. To transact any other business of which due notice shall have been given in accordance with the Company’s Constitution and the Companies Act, 2016.

By Order of the Board

CHANG NGEE CHUANG (MAICSA No. 7077854 / SSM Practising Certificate No. 201908001421)
JEREMY TAI YUNG WEI (MAICSA No. 7065447 / SSM Practising Certificate No. 202308000580)
Company Secretaries
Kuala Lumpur

Date: 31 July 2024

Notice of Annual General Meeting (Cont'd)

Notes :

REMOTE PARTICIPATION AND VOTING

1. The Broadcast Venue of the Annual General Meeting (“**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 physically present at the main venue in Malaysia. No shareholders/ proxies/ corporate representatives shall be physically present at the Broadcast Venue on the meeting day. Members are advised to refer to the Administrative Guide which is available on the Company’s corporate website at <https://www.avillionberhad.com/investor-relations/general-meeting/general-meeting-documents-1/> or Bursa Malaysia Berhad’s website at www.bursamalaysia.com, for the remote participation and voting at the AGM using the Virtual Meeting Facilities.

INFORMATION FOR SHAREHOLDERS/PROXIES

2. A member entitled to attend and vote at a meeting of the Company, or at a meeting of any class of members, shall be entitled to appoint any person as his proxy to attend and vote instead of the member at the meeting.
3. A member may appoint not more than 2 proxies to attend the same meeting.
4. A proxy may but need not to be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend the Meeting shall have the same rights as the member to speak and vote at the Meeting. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorised.
5. Where a member is an exempt authorised nominee who holds ordinary shares in the Company for multiple beneficial owners in one securities account (“**omnibus account**”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
6. The Form of Proxy must be signed by the appointer or by his attorney duly authorised in writing or if the appointer is a corporation, either under seal or under hand of an officer or attorney duly authorised. If no name is inserted in the space for the name of your proxy, the Chairman of the Meeting will act as your proxy.
7. Subject to the Constitution, the Proxy Form shall be deposited at ShareWorks Sdn Bhd, the Share Registrar Office of the Company at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, not less than forty-eight (48) hours before the time set for holding the Meeting or any adjournment thereof.
8. For the purpose of determining a member who shall be entitled to attend and vote at the 32nd AGM, the Company shall be requesting the Record of Depositors as at 5 September 2024. Only a depositor of the Company whose name appears on the Record of Depositors as at 5 September 2024 shall be entitled to attend and vote at the said meeting as well as for appointment of proxy (ies) to attend and vote on his/her stead.

Explanatory Notes

1. To receive and adopt the Audited Financial Statements

Agenda item no. 1 is meant for discussion only as the provisions of Section 340(1)(a) of the Companies Act, 2016, does not require a formal approval of the shareholders and hence, is not put forward for voting.

Notice of Annual General Meeting (Cont'd)

Explanatory Notes (Cont'd)

2. To re-elect Mr. Rungit Singh A/L Jaswant Singh who is retiring by rotation pursuant to Clause 100 of the Company's Constitution and being eligible, has offered himself for re-election

Clause 100 of the Company's Constitution provides that one-third (1/3) of the Directors of the Company for the time being shall retire by rotation at an AGM of the Company. The Directors who are subject to retirement by rotation in accordance with Clause 100 of the Company's Constitution are **Mr. Rungit Singh A/L Jaswant Singh and Tan Sri Dato' Sri Dr. Samsudin bin Hitam**.

The Board has conducted assessments on **Mr. Rungit Singh A/L Jaswant Singh** and **Tan Sri Dato' Sri Dr. Samsudin bin Hitam** on character, integrity, competence, and experience and time commitment in effectively discharging their respective roles as Directors of the Company. **Mr. Rungit Singh A/L Jaswant Singh** and **Tan Sri Dato' Sri Dr. Samsudin bin Hitam** were assessed based on performance criteria set in the areas of Board dynamics and participation, competency and capability, independence and objectivity, probity and personal integrity, contribution and performance together with their ability to make analytical inquiries and offer advice and guidance. The Board agreed with the Nomination Committee's recommendation that **Mr. Rungit Singh A/L Jaswant Singh** and **Tan Sri Dato' Sri Dr. Samsudin bin Hitam** who are retiring by rotation in accordance with Clause 100 of the Company's Constitution are eligible to stand for re-election.

Tan Sri Dato' Sri Dr. Samsudin bin Hitam who is also retiring by rotation pursuant to Clause 100 of the Company's Constitution and has been recommended by the Board, has opted not to stand for re-election. Hence, he will retain office until the close of the 32nd AGM.

The retiring Directors had abstained from deliberations and decisions on their own eligibility to stand for re-election at the Board meeting.

3. To re-elect Mr. Fong Wai Leong who is retiring pursuant to Clause 107 of the Company's Constitution and being eligible, has offered himself for re-election

Clause 107 of the Company's Constitution provides that the Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but the total number of Directors shall not at any time exceed the maximum number fixed in accordance with this Constitution. Any Director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

Mr. Fong Wai Leong was appointed on 12 October 2023 as an Independent Non-Executive Director, re-designated as an Executive Director on 17 January 2024 and appointed as the Chief Executive Officer on 18 January 2024, and is standing for re-election as the Director of the Company in accordance with Clause 107 of the Company's Constitution and being eligible, has offered himself for re-election at the 32nd AGM of the Company.

4. Payment of Directors' fees and benefits to Non-Executive Directors

Section 230(1) of the Companies Act, 2016 which came into effect on 31 January 2017, provides among others, that the fees of Directors and any benefits payable to Directors shall be approved at a general meeting.

In this respect, the Board wishes to seek shareholders' approval for the payment of Directors' fees and for benefits payable to Non-Executive Directors to be paid monthly in arrears after each month of completed service of the Directors.

Notice of Annual General Meeting (Cont'd)

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

1. The 32nd AGM of the Company will be conducted virtually from the Online Meeting Platform at www.swsb.com.my by ShareWorks Sdn. Bhd. on Thursday, 12 September 2024 at 11.00 a.m.
2. The Directors who are seeking re-election and/or continuing in office as Independent Non-Executive Directors at the 32nd AGM of the Company are:
 - i. Mr. Rungit Singh A/L Jaswant Singh (Clause 100)
 - ii. Mr. Fong Wai Leong (Clause 107)

The Profiles of the Directors seeking for re-election are set out in the Company's Annual Report 2024. The details of the Directors' interest in the securities of the Company are set out in the Company's Annual Report 2024.

The details of attendance of the Directors of the Company at Board of Directors' Meetings held during the financial year ended 31 March 2024 are disclosed in the profile of Directors of the Annual Report 2024.

PERSONAL DATA POLICY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof) and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.



AVILLION BERHAD
 [199201013018 (244521-A)]
 (Incorporated in Malaysia)

PROXY FORM
 32nd Annual General Meeting

CDS Account No.	
No. of Shares Held	

I/We
 [Full name and NRIC/Company No.]
 of

 [Address]

Telephone No Email Address

being a Member/Members of AVILLION BERHAD hereby appoint

.....
 [Full name and NRIC/Company No.]
 of

 [Address]

Telephone No: Email Address

*and/or failing him/her

.....
 [Full name and NRIC No.]
 of

 [Address]

Telephone No: Email Address

or failing him/her, the Chairman of the Meeting as my/our proxy to attend and vote for me/us on my/our behalf at the 32nd Annual General Meeting of the Company to be held virtual from the Online Meeting Platform at www.swsb.com.my on Thursday, 12 September 2024 at 11.00 a.m. and at any adjournment thereof.

Please indicate your voting instructions with an "X" in the appropriate space. If no specific direction as to voting is given, the proxy will vote or abstain from voting on the resolution at his/her discretion.

ORDINARY RESOLUTION		FOR	AGAINST
1.	To re-elect Mr. Rungit Singh A/L Jaswant Singh who is retiring by rotation pursuant to Clause 100 of the Company's Constitution and being eligible, has offered himself for re-election.		
2.	To re-elect Mr. Fong Wai Leong who is retiring pursuant to Clause 107 of the Company's Constitution and being eligible, has offered himself for re-election.		
3.	To approve the payment of Directors' fees and other emoluments of RM257,234.00 for the financial year ended 31 March 2024.		
4.	To approve the payment of Directors' fees and benefits to Non-Executive Directors up to an amount not exceeding RM380,000.00 from 1 April 2024 until the next Annual General Meeting.		
5.	To re-appoint Messrs. Baker Tilly Monteiro Heng PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.		

Shareholding represented by Proxy	
Proxy 1	%
Proxy 2	%
Total	%

Signature of Shareholder or Common Seal
 Dated this _____ day of _____ 2024



NOTES:-

1. The Broadcast Venue of the Annual General Meeting ("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 physically present at the main venue in Malaysia. No shareholders/proxies/corporate representatives shall be physically present at the Broadcast Venue on the meeting day. Members are advised to refer to the Administrative Guide which is available on the Company's corporate website at <https://www.avillionberhad.com/investor-relations/general-meeting/general-meeting-documents-1/> or Bursa Malaysia Berhad's website at www.bursamalaysia.com, for the remote participation and voting at the AGM using the Virtual Meeting Facilities.
2. A member entitled to attend and vote at a meeting of the Company, or at a meeting of any class of members, shall be entitled to appoint any person as his proxy to attend and vote instead of the member at the meeting.
3. A member may appoint not more than 2 proxies to attend the same meeting.
4. A proxy may but need not to be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend the Meeting shall have the same rights as the member to speak and vote at the Meeting. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorised.
5. Where a member is an exempt authorised nominee who holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
6. The Form of Proxy must be signed by the appointor or by his attorney duly authorised in writing or if the appointor is a corporation, either under seal or under hand of an officer or attorney duly authorised. If no name is inserted in the space for the name of your proxy, the Chairman of the Meeting will act as your proxy.
7. Subject to the Constitution, the Proxy Form shall be deposited at ShareWorks Sdn. Bhd. of No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan (KL), Malaysia, not less than forty-eight (48) hours before the time set for holding the Meeting or any adjournment thereof.
8. For the purpose of determining a member who shall be entitled to attend and vote at the 32nd AGM, the Company shall be requesting the Record of Depositors as at 5 September 2024. Only a depositor of the Company whose name appears on the Record of Depositors as at 5 September 2024 shall be entitled to attend and vote at the said meeting as well as for appointment of proxy (ies) to attend and vote on his/her stead.

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AFFIX
STAMP

AVILLION BERHAD
[199201013018 (244521-A)]
Company Share Registrar
SHAREWORKS SDN BHD
No. 2-1, Jalan Sri Hartamas 8,
Sri Hartamas,
50480 Kuala Lumpur,
Wilayah Persekutuan (KL),
Malaysia.

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AVILLION

BERHAD

199201013018 (244521-A)

Avillion Berhad

199201013018 (244521-A)

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No. 1, Lorong Kapar
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