BAHVEST RESOURCES BERHAD

Registration No. 200401011001 (649504-D)

2020

ANNUAL REPORT

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Sri Dr. Md Kamal Bin Bilal
Non-Independent Non-Executive Chairman

Datuk Lo Fui Ming
Managing Director / Chief Executive Officer

Lo Teck Yong
Executive Director

Akinori Hotani
Executive Director

Tan Sri Dato' Nik Hashim Bin Nik Abd. Rahman
Senior Independent Non-Executive Director

Sim Kay Wah
Independent Non-Executive Director

COMPANY SECRETARIES
Kang Shew Meng
Seow Fei San
Chong Tzu Khen

AUDIT COMMITTEE
Sim Kay Wah
Chairman

Dato' Sri Dr. Md Kamal Bin Bilal
Member

Tan Sri Dato' Nik Hashim
Bin Nik Abd. Rahman
Member

NOMINATING COMMITTEE
Tan Sri Dato' Nik Hashim Bin Nik
Ab. Rahman
Chairman

Dato' Sri Dr. Md Kamal Bin Bilal
Member

Sim Kay Wah
Member

REMUNERATION COMMITTEE

Tan Sri Dato' Nik Hashim Bin Nik
Ab. Rahman
Chairman

Dato' Sri Dr. Md Kamal Bin Bilal
Member

Sim Kay Wah
Member

REGISTERED OFFICE
802, 8th Floor, Block C,
Kelana Square,
17 Jalan SS7/26,
47301 Petaling Jaya,
Selangor Darul Ehsan.
Tel: 03-78031126
Fax: 03-78061387

HEAD OFFICE
Lot 4, Block E, Bandar Nam Tung,
Jalan Leila,
P.O.Box No. 2112,
90724 Sandakan, Sabah.
Tel: 089-611133/
089-611633/
089-612633
Fax: 089-613633/
089-618633

RESEARCH AND DEVELOPMENT CENTRE
Batu 7, Tanjung Payang,
Silam, Lahad Datu,
Sabah.
Tel: 089-898133
Fax: 089-898133

MARKETING AND DISTRIBUTION OFFICE IN HONG KONG
Room 613B, Hing Wai Centre,
7 Tin Wan Praya Road,
Aberdeen, Hong Kong.

SHARE REGISTRAR
Securities Services (Holdings) Sdn. Bhd.
Level 7, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur.
Tel: 03-20849000
Fax: 03-20949940/
03-20950292

PRINCIPAL BANKERS
RHB Bank Berhad
Block 7, Lot 64, 65 & 66,
1st Floor Phase 1,
Prima Square Mile 4, Jalan Utara,
90000 Sandakan, Sabah.

RHB Bank Berhad
Ground & First Floor, Lot 5,
Block 27 Fajar Complex,
Jalan Mahkamah,
Town Extension II,
91000 Tawau, Sabah.

Malayan Banking Berhad
Lot 28, 29 & 30, Block HS3,
Sandakan Harbour Square,
90000 Sandakan, Sabah.

Malayan Banking Berhad
Lot 262-264, Fajar Complex,
Jalan Mahkamah,
91000 Tawau, Sabah.

AUDITORS
PKF (AF: 0911)
Chartered Accountants
Lot 23 1 & 25 1, 1st Floor,
Lintas Plaza,
Lorong Lintas Plaza,
88300 Kota Kinabalu, Sabah.

STOCK EXCHANGE LISTING
ACE Market of Bursa Malaysia
Securities Berhad
Stock Name: BAHVEST
Stock Code: 0098
Warrant Stock Name: BAHVEST WA
Warrant Stock Code: 0098WA

WEBSITE
www.bahvest.com.my

CORPORATE PROFILE

In view of the diversification of the business operations of the Group and commencement of the gold mining production, the Management proposed to change the name of the Company from Borneo Aqua Harvest Berhad to Bahvest Resources Berhad ("Bahvest" or ''Company") to be in line with the Group's business nature, which had been approved by its shareholders on 22 November 2018, subsequently approved by Suruhanjaya Syarikat Malaysia (SSM) on 27 November 2018. Bahvest was incorporated on 16 April 2004 in Malaysia as a private limited company and was subsequently converted into a public company on 20 May 2004. Bahvest was listed on the ACE Market of Bursa Malaysia Securities Berhad on 5 September 2005. Bahvest has five wholly-owned subsidiaries, namely Wullersdorf Resources Sdn. Bhd. ("Wullersdorf"), Plentiful Harvest Sdn. Bhd. ("Plentiful"), Marine Terrace Sdn. Bhd. ("Marine"), Salient Horizon Sdn. Bhd. ("Salient") and Plentiful Earnings Sdn. Bhd. ("Plentiful Earnings") (collectively referred to as "Bahvest Group" or "Group").

In Year 2017, Bahvest has further diversified its core business to include the exploration for mineral, mining and other mining related business on a piece of land measuring 317.7 hectares at Bukit Mantri, Daerah Tawau, Sabah through the acquisition of Wullersdorf. As at June 2018, Wullersdorf has completely explored approximately 70 hectares.

Wullersdorf has completed the construction and commissioning of the gold mine processing plant as at 30 June 2018 and commercially commenced gold dore bars production as at 30 September 2018. Wullersdorf started extracting gold from top soil clearing as at 30 September 2018 and it just started drilling and mining the sulphide rock/ore and with the commissioning of sulphide burner expected in the second quarter of next financial year end. Wullersdorf expects its gold production to improve further as it focuses on its production from the epithermal veins as their grades are higher than those extracted from the topsoil.

Plentiful was established with the focus on marine fish breeding, hatchery and rearing of marine fishes. Plentiful Earnings and Marine are principally involved in the rearing of marine fishes. Since Bahvest Group commenced its operation in year 2004, the Group has evolved to become an integrated aquaculture Group which is involved in the entire process of sustainable aquaculture; i.e. broodstock management, research and development ("R&D"), breeding, hatching, rearing, production of live feed, marketing, transportation of live fishes and distribution of fish products.

With the dedication of its experienced management team together with the comprehensive R&D programs, the Group is confident that it will be able to contribute positively to the country's aquaculture industry, enabling Malaysia to join the only few elite countries in the forefront of marine fish breeding in the Asia Pacific region, with particular emphasis on the highly sought after Grouper species. This strategy is aligned with the Government's aspiration of achieving aquaculture self-sustainability while assisting to elevate the disposable income of the industry's many participants. In addition, a successful and sustainable aquaculture industry will contribute to country's economic growth by not only creating employment opportunities, it will also reduce import bills for marine fish fry and fishes, thereby lowering the industry's exposure to foreign currency fluctuations.

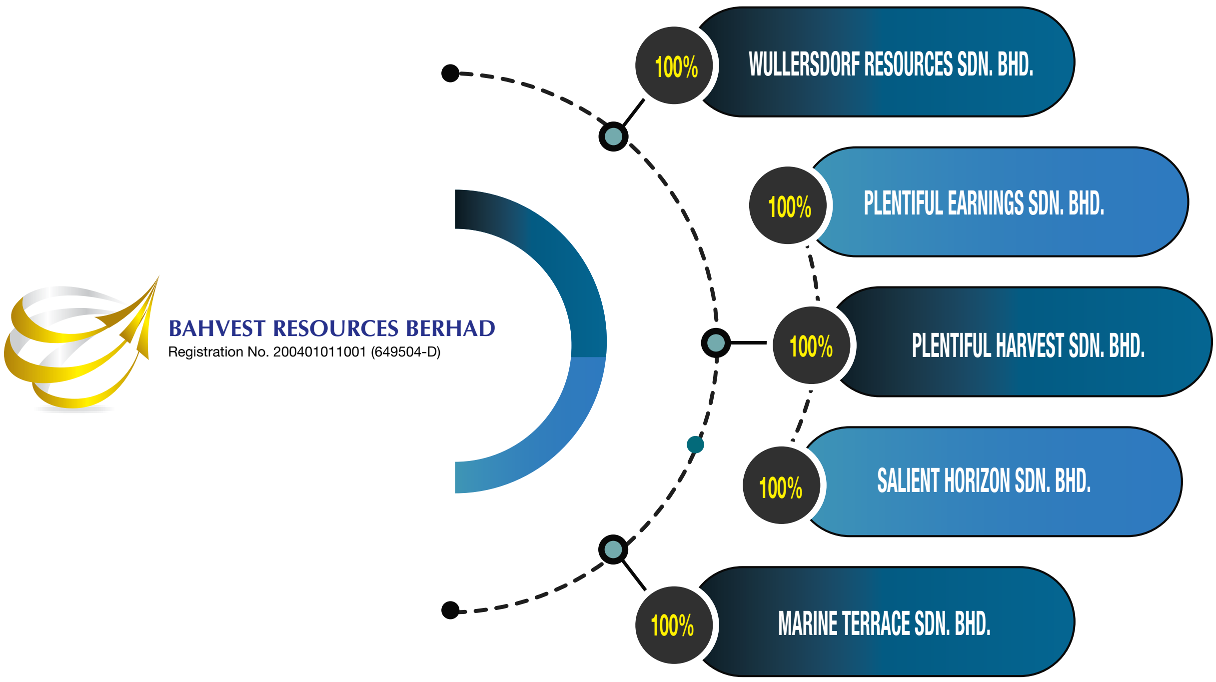
Bahvest is in compliance with the Hazard Analysis and Critical Control Point (HACCP) Codex Alimentarius certification, an international certification on Food Safety Management System in accordance with the specification under the German Accreditation body Deutsche Akkreditierungsstelle ("DAkkS"). Bahvest is also in compliance with Food Safety is Responsibility of The Industry (MeSTI) certification granted by Ministry of Health Malaysia, specifies requirements for food manufacturing premises to prepare and establish a Food Safety Assurance Programme in accordance with the Food Hygiene Regulation 2009 (i.e. consistently ensure process of quality products safe to consumer).

To-date, our R&D team has succeeded in breeding, hatching and rearing Coral Trout Grouper, Marble Grouper, Humpback Grouper, Coral Rockcod, Barred-Cheek Coral Trout, Tomoto Rockcod Grouper, Camouflage Grouper, Giant Grouper and Malabar Red Snapper for commercialization. Furthermore, through our extensive R&D works, the Group has also succeeded in producing cross-bred Grouper species, namely Sabah Giant Grouper, Sabah Coral Rockcod, Sabah Camouflage, Sabah Giant Camouflage, and Sabah Giant Rockcod. The Group's continuous R&D activities are aimed at breeding, hatching and rearing other high value marine fishes, as well as the cross-breeding of various different species.

Currently, Bahvest Group trades its fish products in Hong Kong and China by distributing fish fry and live adult fishes to local distributors. During the financial year, the Group has extended downstream through the delivery and sales of vacuum packed frozen fish products directly to end consumers, which the Group believes has great potential for market development.

Our sub-subsidiary, Plentiful Earnings had been granted approval from Malaysia's Finance Ministry pursuant to the Income Tax Act, 1967, to carry out sea cages fish farming project ("Project"). Under the approval, Plentiful Earnings is granted with exemption of income tax at 100% for its statutory income for a period of 10 years commencing from the first year Plentiful Earnings having recorded its first statutory income from the Project.

CORPORATE STRUCTURE



VISION & MISSION

Through the acquisition of Wullersdorf, Bahvest is diversifying into mineral exploration and mining activities. Being one of the few gold mining sites in Malaysia and the only one in Sabah, Wullersdorf strives to assist the Sabah State Government in developing the state's mining industry by importing latest high-tech mining technologies, training and recruiting local mining talents to contribute to the state's economy, while at all times ensuring that only eco-friendly mining techniques are employed.

In view of the widening gap between the demand and supply of marine fishes in the country as well as in the international markets, Bahvest strives to be the catalyst to develop the marine fish farming industry in Malaysia and Asia Pacific region, consistent with the economic strategy of both the Sabah State and the Malaysia Federal Governments to promote aquaculture as one of the economic activities for the country.

Bahvest is committed to further improve and develop the marine aquaculture industry in Malaysia by:

- enhancing the country's research and development capabilities in the breeding and hatchery of marine fishes through sharing of knowledge with local universities, research centres and relevant organisations / bodies;
- educating local fish farmers on breeding, hatchery and rearing of marine fishes through training and consultancy services to be provided by the Group;
- creating sub-sectors within the aquaculture industry and promoting new downstream industry such as marine fish feed industry and production of value-added fish products such as fish fillet for export markets; and
- improving the living standard of fish farmers and creating job opportunities through rearing of diversified and high commercial value marine fishes produced by Bahvest.

Bahvest is also committed to be a market leader in breeding and supply of high commercial value marine fishes in the Asia Pacific region. In achieving this business objective, the Group will:

- broaden its product base or species of fish through research by a highly trained and motivated R&D team;
- enhance its R&D capabilities through tie-ups with local or international universities, research centres and related organisations / bodies;
- provide high quality fishes that are toxic free and reared in clean natural environment; and
- establish new and improve on its network of customers for its products, and to develop strategic marketing alliances with international wholesaler to increase its distribution capability.

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors ("Board"), it is with great honor that I present to you the Annual Report and Audited Financial Statements of Bahvest and its subsidiaries for the financial year ended 31 March 2020 ("FYE 2020").

FINANCIAL REVIEW

FYE 2020 the Group continues to endure economic challenges and uncertainties both domestically as well as globally. At the domestic front, the drop in global crude oil prices has resulted in a weaker Ringgit and higher inflationary pressure on the local economy. Though the Group's products are mostly exported to Hong Kong SAR and southern China, the slowing Hong Kong and China economy has also affected the overall demand for our products at these international markets due to the eroding political situation in Hong Kong as well as the challenges of the coronavirus disease 2019 (Covid-19) pandemic and its impact on global economy.

During the FYE 2020, the Group generated higher revenue of RM95.13 million (FYE2019 RM65.05 million), this was mainly due to Wullersdorf generated higher total sales of RM85.84 million (FYE2019 RM39.38 million) represents approximately 440.58 kgs of net gold sold and 66.40 kgs of silver sold during the year. The aquaculture operations generated lower revenue of RM9.29 million (FYE 2019 RM25.67 million) during the year was mainly due to decrease in sales to Hong Kong and China as a result of the eroding political situation in Hong Kong, and impact of Covid-19 pandemic which escalated in China and Hong Kong in early January 2020 leading to the absence of sales to Hong Kong and China since the second quarter of FYE2020. However, the Group generated lower gross profit of RM30.63 million in FYE 2020 (FYE2019 RM31.91 million) was mainly due to increase on total operation cost which incurred by Wullersdorf to carry out gold mining operation from RM28.43 million in FYE 2019 to RM62.81 million during the year.

The Group recorded a loss after taxation of RM180.98 million in FYE 2020 as compared to profit after taxation of RM5.70 million in FYE 2019 was mainly due to the increase on fair value loss on biological assets from RM10.96 million in FYE 2019 to RM161.05 million in FYE 2020 and increase on impairment on financial assets from RM0.13 million in FYE 2019 to RM21.27 million in FYE 2020. The abovementioned fair value loss on biological assets was set-off against the Group's profit for the year and does not have any impact on the Group's cash flow. Nevertheless, Wullersdorf had generated higher revenue during the year as the Group is foreseen the gold mining operation could generate more revenue in the future.

BUSINESS REVIEW

A. MINING OPERATION

Wullersdorf had on April 2017 started operation in mineral explorations, mining and other mining related activities on a piece of land measuring 317.7 hectares at Bukit Mantri, Daerah Tawau, Sabah. As at June 2018, Wullersdorf has explored approximately 70 hectares of 317.7 hectares. The Group has completed the construction and commissioning of the gold mine processing plant during 30 June 2018 and commercially commenced gold dore bars production during 30 September 2018. The Group started extracting gold from top soil clearing during 30 September 2018 and it just started drilling and mining the sulphide rock/ ore and with the commissioning of sulphide burner expected in the second quarter of next financial year end. Wullersdorf generated higher total sales of RM85.84 million (FYE2019 RM39.38 million) represents approximately 440.58 kgs of net gold sold and 66.40 kgs of silver sold during the year. Wullersdorf expects its gold production to improve further as it focuses on its production from the epithermal veins as their grades are higher than those extracted from the topsoil.

Chairman's Statement
(Cont'd)

BUSINESS REVIEW (CONT'D)

B. FISHERY OPERATION

During FYE 2020, the Group's fish fry production was approximately 414,438 tails, while approximately 48,424 tails of juvenile fishes were transferred to sea cages from the nursery centers. The Group pays more attention on the management of the environmental parameters that have been giving pressure to the operations resulting in the fish fry's lower fatality rate. The Management also ensures that the Group's adult fishes remain healthy and safe for human consumption through the implementation of various control features which are detailed more clearly under the Statement of Risk Management and Internal Control section.

The ability to market the Group's fishes as the group obtained HACCP Codex Alimentarius certification and MeSTI certification for processing frozen fish is a key marketing strategy. The Group has also ventured into downstream activity, by deep freezing vacuum packing some of its fishes for supply to the local market. Though the contribution from this frozen segment of the business remains small, at approximately 1.40% of the overall turnover (1.88% in FYE 2019), the Board expects this segment can be lucrative and to contribute positively to the Group moving forward due mainly to the maturing of the local market in general, as the fishery supplies from sea-catches continue to dwindle.

The Group continues to place significant emphasis on its R&D division in order to improve its broodstock management. Our teams of R&D experts are recruited from Japan, South Korea and Malaysia. The Group not only purchase high value species of broodstock from local market and other countries, but also continuously conducts its own R&D for breeding new cross-breed marine finfish species so as to remain competitive. The Group currently has about 2,126 broodstocks of over 10 high value species, as compared with 3,021 broodstocks in FYE 2019. Higher fatality rate on the broodstock was mainly due to conduct of R&D for breeding.

PROSPECTS AND OUTLOOK

Through the diversification into gold mining business as core business, the Group is one of the few gold mining sites in Malaysia and the only one in Sabah. The Board is confident that this new gold mining business can enhance Group's revenue steam and broaden its earning base in order to achieve a sustainable growth and add value to the shareholders. The gold mining operations had been commenced commercially during 30 September 2018. Wullersdorf generated higher total sales of RM85.84 million (FYE2019 RM39.38 million) represents approximately 440.58 kgs of net gold sold and 66.40 kgs of silver sold during the year. The Group expects gold mining business can contribute more future earnings as its gold production expected to improve further as it focuses on its production from the epithermal veins as their grades are higher than those extracted from the topsoil. The good trend of market value of gold was expected tend to a higher gold price in the future.

The Group is also one of the leading players in the aquaculture industry in Malaysia as it is one of the biggest exporters of finfish from Sabah, targeting the key markets in the southern China region, such as Hong Kong SAR, Shenzhen and Guangzhou. Medium and small finfish farmers in and around the vicinity of the eastern Sabah waters will have to sell their fishes to the Group rather than they sell it domestically where the market could not absorb such a large volume of cultured grouper fishes. As such, the Board is fully committed to continue the Group's existing aquaculture business despite the Group diversifying its core business into gold mining business.

Chairman's Statement
(Cont'd)

ACKNOWLEDGEMENTS

On behalf of the Board, I would like to express our sincere appreciation to our valued shareholders, customers, suppliers, business partners, advisors, bankers and the regulatory authorities for their unwavering supports and confidence in the Group. I would also like to express our deepest gratitude to the Management and the staff for their hard work, commitments and dedications in executing the management and operational strategies of the Group throughout FYE 2020.

Finally, I would like to take this opportunity to express my heart-felt appreciation to all the Board members for their vision, advice and ongoing support rendered to the Group.

Dato' Sri Dr. Md Kamal Bin Bilal
Non-Executive Chairman of the Board of Bahvest Resources Berhad.

DIRECTORS' PROFILE

DATO' SRI DR. MD KAMAL BIN BILAL

Malaysian Male, aged 58, is a Non-Independent Non-Executive Chairman since 28 August 2015, Dato' Sri Dr. Md Kamal was appointed to the Board of Directors on 9 May 2005 as an Independent Non-Executive Chairman. He is also a member of the Nominating Committee, Remuneration Committee and Audit Committee.

He has over 20 years of experience in the government sector, serving as a Community Development Officer in the Ministry of National and Rural Development. After that, he ventured into the automobile industry as a Proton Edar dealer in Penang. He has been the Division Treasurer of UMNO for Kapala Batas Division and also a Division Committee Member of Barisan National for Kapala Batas Since 2000. He was appointed as the Non-Executive Director of The Store Corporation Berhad in 2000 and was re-designated as Independent Non-Executive Chairman in 2001. He was also appointed as Chairman/Independent Non-Executive Director of KBB Resources Berhad on 3 November 2003. Dato' Sri Kamal was conferred as Honorary Doctorate of Philosophy (Entrepreneurship) by Golden State University, USA.

Dato' Sri Dr. Md Kamal Bin Bilal does not have any family relationship with any other directors or major shareholders of the Company and has no conflict of interest with the Company. Other than traffic offences, he has not been convicted of any offences within the past five (5) years and has no public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 March 2020.

He attended all five (5) Board Meetings of the Company held during the financial year.

DATUK LO FUI MING

Malaysian Male, aged 64, is the Managing Director and Chief Executive Officer of Bahvest and was appointed to the Board of Directors on 9 May 2005.

Upon completion of his secondary education, he started working in a timber camp in the operations division and was subsequently appointed as Manager. In 1980, he started his own logging company and was involved in various aspects of the timber industry including timber concession holding, logging contracting, timber trading and timber processing. In 1995, he ventured into the plantation industry. He was the Managing Director of Cepatwawasan Group Berhad, a company listed on the Second Board of Bursa Securities, from 1 October 2001 to 16 January 2004, 6 August 2004 to 1 April 2005 when he was appointed as the Non-Executive Deputy Chairman until 21 July 2005.

As the Managing Director and Chief Executive Officer of Bahvest, he is primarily responsible for overseeing the overall business operations and development as well as formulation and implementation of the Group's corporate strategies. With over 30 years of experience in the business sector, he is the driving force of the Group.

Datuk Lo Fui Ming is the father of Mr. Lo Teck Yong and Ms. Lo Choon Fung @ Michelle. He has no conflict of interest with the Company. Other than traffic offences, he has not been convicted of any offences within the past five (5) years. During the financial year, he was fine for RM1,500 for breaching Section 135(1) of Companies Act, 1965 due to failure to notify the Company within 14 days after the change of his substantial shareholding in the Company and director's interest for the transaction.

He is a substantial shareholder of the Company. He also sits on the Board of several private companies as well as shareholder of several private companies.

He attended three (3) out of five (5) Board Meetings of the Company held during the financial year.

Directors' Profile
(Cont'd)

LO TECK YONG

Malaysian Male, aged 39, is an Executive Director of Bahvest and was appointed to the Board of Directors on 9 May 2005. He is the director in charge of the daily operations of the Group's fish farms, primarily responsible for overseeing the nurseries for fish fries and the rearing centre for adult fishes at the aquaculture operation site and he also involved in operation of mining site.

He obtained a Bachelor of Science Degree majoring in Marketing from University of Surrey, United Kingdom in 2003. Upon his graduation in 2003, he embarked on a study tour to a few fish breeding centres in Taiwan, Republic of China and South Korea to expand his knowledge on fish breeding and marketing of fish and fish fry.

Mr. Lo Teck Yong is the son of Datuk Lo Fui Ming and brother of Ms Lo Choon Fung @ Michelle. He has no conflict of interest with the Company. Other than traffic offences, he has not been convicted of any offences within the past five (5) years and has no public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 March 2020.

He attended four (4) out of five (5) Board Meetings of the Company held during the financial year.

AKINORI HOTANI

Japanese Male, aged 46, is an Executive Director of Bahvest and was appointed to the Board of Directors on 24 March 2006.

He obtained a Bachelor of Science Degree majoring in Marine Science and Aquaculture (First Class Honours) from University of Kinki, Japan in 1996. Upon graduation, he joined Nitto Seimo Corporation Co Ltd ("Nitto"), Japan as the Head of Ocean Research and Development Department. During his employment with Nitto, he has conducted numerous researches and has gained extensive experience in marine fish breeding, hatchery and rearing of marine fishes. He also has vast knowledge in formulation of aquaculture medicine and chemical, water environment control, micro-organism production, and fish eggs management and control as well as designing and constructing fish cages (net cage, submersible cage and aquaculture system). He is responsible for the overall implementation of the Group's R&D strategies and activities. He is also responsible for product development and breeding activities of the Group.

Mr. Akinori Hotani does not have any family relationship with any other directors or major shareholders of the Company and has no conflict of interest with the Company. Other than traffic offences, he has not been convicted of any offences within the past five (5) years and has no public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 March 2020.

He attended all five (5) Board Meetings of the Company held during the financial year.

Directors' Profile
(Cont'd)

TAN SRI DATO' NIK HASHIM BIN NIK AB. RAHMAN

Malaysian Male, aged 77, is the Senior Independent Non-Executive Director of Bahvest and was appointed to the Board of Directors on 15 December 2015. On 25 February 2016, Tan Sri Dato' Nik Hashim was appointed as member of Nominating, Remuneration and Audit Committees. He was redesignated as chairman of both Nominating and Remuneration Committees on 25 May 2018.

Tan Sri Dato' Nik Hashim started his career in the Government service in 1963 as a Clerical Officer and later as Police Inspector until 1968 when he studied law at the Inner Temple London as a Barrister-at-law. In 1970, he joined the Judicial and Legal Service where he served 25 years in various post: Magistrate, President of Sessions Court, Deputy Director of Legal Aid Bureau, Deputy Public Prosecutor, State Legal Advisor Terengganu, Senior Federal Counsel, Judge Advocate, Deputy Parliamentary Draftsman, Director General, Judicial and Legal Training Institute and Chairman, Advisory Board. From 1995 to 2009 he served as a Judicial Commissioner and a Judge of the High Court, Court of Appeal and the Federal Court until his retirement on 1 July 2009.

Tan Sri Dato' Nik Hashim was a member of the Royal Police Force Commission from 2004 to 2008. He has been a member of the Syariah Appeal Court Kelantan since 1998 and was an adjunct Professor in the Faculty of Law and International Relations University Sultan Zainal Abidin from 1 February 2009 to January 2013. In July 2010, Tan Sri Dato' Nik Hashim attended and successfully completed an Executive Education program at Harvard Business School, Boston U.S.A. In July 2016, he has been appointed as Pro Chancellor of Meritus University, Malaysia.

Tan Sri Dato' Nik Hashim also sits on the Board of Olympia Industries Berhad and Tropicana Golf & Country Resort Berhad.

Tan Sri Dato' Nik Hashim does not have any family relationship with any other directors or major shareholders of the Company and has no conflict of interest with the Company. Other than traffic offences, he has not been convicted of any offences within the past five (5) years and has no public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 March 2020.

He attended all five (5) Board Meetings of the Company held during the financial year.

SIM KAY WAH

Malaysian Male, aged 44, is an Independent Non-Executive Director. He was appointed to the Board of Director on 20 November 2015. He is the Chairman of Audit Committee and member of Nominating and Remuneration Committees.

Mr. Sim is a Chartered Accountant of the Malaysian Institute of Accountants, a Certified Public Accountant of CPA Australia and a Chartered Global Management Accountant with the Chartered Institute of Management Accountants (CIMA). He obtained his bachelor degree in Accountancy and master degree in Finance from the Royal Melbourne Institute of Technology, Australia. Mr. Sim had over eleven years' experience in corporate finance, investment management and banking, where he served in various capacities including as Chief Financial Officer, Executive Director and Financial Controller of public listed companies.

Mr. Sim does not have any family relationship with any other directors or major shareholders of the Company. He had no conflict of interest with the Company. Other than traffic offences, he has not been convicted of any offences within the past five (5) years and has no public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 March 2020.

He attended all five (5) Board Meetings of the Company held during the financial year.

KEY SENIOR MANAGEMENT PROFILE

CHONG TZU KHEN

Malaysian Male, aged 63, is the Director of Wullersdorf, a wholly owned subsidiary of Bahvest. He is also the Finance Manager cum Company Secretary of Bahvest and its Group of companies. He is a director of Wullersdorf Resources II Sdn. Bhd. and Teguh Niagamaju Sdn. Bhd. He was appointed as a Committee to the Advisory Board of Polytechnic Sandakan, Sabah for a term of two years on 12 October 2017. He obtained a Post-Graduate Certificate in Sustainable Aquaculture (Vertebrates) and an Undergraduate Certificate in Sustainable Aquaculture from University of St. Andrews, Scotland, UK on 10 April 2018 and 1 May 2014 respectively and the degree of Master of Financial Planning ("MFP") from University of Sunshine Coast, Queensland on 18 May 2007. He is a Fellow member of Malaysian Association of Company Secretaries ("MACS") and he was granted a certificate of practice by MACS on 10 October 2017. He was attached to P.L.Yap & Co., a firm of Public Accountants from 1976 to 1980 as an Audit Assistant. In 1980, he joined Jetniyo Sdn. Bhd. as an Accounts Executive. In 1985, he set up his own Company under the name of T.K.Chong Commercial Services, a firm of providing bookkeeping service to Companies in Sandakan. In 1995, he joined Cepatwawasan Sdn. Bhd. as a Company Secretary and Account in charge for the group of companies. From 2001 to February 2004, he was promoted to the Personal Assistant to the Managing Director of Cepatwawasan Group Berhad. He joined Bahvest in 2004 till present.

Mr. Chong does not have any family relationship with any other directors or major shareholders of the Company. He had no conflict of interest with the Company. Other than traffic offences, he has not been convicted of any offences within the past five (5) years and has no public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 March 2020.

CHONG KHING CHUNG

Malaysian Male, aged 53, is a Director of Wullersdorf since May 2017. He is a Chartered Member of the Malaysian Institute of Accountants ("CA") and a Fellow Member of CPA Australia ("FCPA"). He holds a Bachelor Degree in Accountancy from University of Western Australia and has been involved in the finance and accounting fields, holding various senior positions, including as Executive Director of a stockbroking firm in Sabah. He has also held positions as Executive Director, Finance Director and Chief Financial Officer of various public listed companies in Malaysia, Singapore, Hong Kong and the United Kingdom. He is currently an Independent Non-Executive Director of Anzo Holdings Berhad and Country Heights Holding Berhad.

Mr. Chong does not have any family relationship with any other directors or major shareholders of the Company. He had no conflict of interest with the Company. Other than traffic offences, he has not been convicted of any offences within the past five (5) years and has no public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 March 2020.

Key Senior Management Profile
(Cont'd)

LO CHOON FUNG @ MICHELLE

Malaysian Female, aged 40, is the Corporate and Risk Management Manager of Bahvest as well as Wullersdorf. In July 2002, she graduated from Royal Holloway University of London with a Bachelor in Economics and Management. In May 2004, she graduated from CASS Business School of City University, London with a Master degree in Insurance and Risk Management. She was appointed as director and member of the EXCO committee of Cepatwawasan Group Berhad from August 2004 to July 2005. After she resigned from Cepatwawasan Group Berhad, she joined Bahvest in 2008.

Ms Lo is daughter of Datuk Lo Fui Ming and sister of Mr Lo Teck Yong. She had no conflict of interest with the Company. Other than traffic offences, she has not been convicted of any offences within the past five (5) years and has no public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 March 2020.

HIEW VUN PUI

Malaysian Female, aged 44, is Group Accountant of Bahvest. She is a Chartered Member of the Malaysian Institute of Accountants ("CA") and a Fellow Member of ACCA, UK ("FCCA"). She started her career in Ernst & Young PLT, an international public accounting firm in Sandakan, Sabah from June 2000 to August 2001. In June 2004, she joined Plentiful, a subsidiary of Bahvest as an Accounts Executive. Later she was promoted as Group Accountant of Bahvest in April 2008 till present.

Ms. Hiew does not have any family relationship with any other directors or major shareholders of the Company. She had no conflict of interest with the Company. Other than traffic offences, she has not been convicted of any offences within the past five (5) years and has no public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 March 2020.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Bahvest was incorporated on 16 April 2004 in Malaysia as a private limited company and was subsequently converted into a public company on 20 May 2004. The Company was listed on the ACE Market of Bursa Malaysia Securities Berhad on 5 September 2005.

Bahvest is an investment holding company, and it has five wholly-owned direct and indirect subsidiaries, namely Wullersdorf, Plentiful, Plentiful Earnings, Marine and Salient which are principally involved in two operational segments as follows:

1. MINING OPERATION

As at June 2018, Wullersdorf has explored approximately 70 hectares of 317.7 hectares of mining land which located at Bukit Mantri, in the district of Tawau, Sabah. The Group has completed the construction and commissioning of the gold mine processing plant during 30 June 2018 and commercially commenced gold dore bars production during 30 September 2018. The Group started extracting gold from top soil clearing during 30 September 2018 and it just started drilling and mining the sulphide rock/ore and with the commissioning of sulphide burner expected in the second quarter of next financial year end. Wullersdorf generated higher total sales of RM85.84 million (FYE2019 RM39.38 million) represents approximately 440.58 kgs of net gold sold and 66.40 kgs of silver sold during the year. Wullersdorf expects its gold production to improve further as it focuses on its production from the epithermal veins as their grades are higher than those extracted from the topsoil.

2. FISHERY OPERATION

Bahvest, together with its subsidiaries Plentiful, Marine and Plentiful Earnings were established with the main focus of breeding, hatching and rearing of high value marine fishes.

During FYE 2020, the Group's fish fry production approximate 414,438 tails, while approximately 48,424 tails of juvenile fishes were transferred to sea cages from the nursery centers. The Group pays more attention on the management of the environmental parameters that have been giving pressure to the operation resulting in fish fry's lower fatality rate, while at the same time, ensuring that its adult fishes remain healthy and safe for human consumption.

Since 2016, the Group has also ventured into downstream activity, by deep freezing and vacuum packing some of its fishes for supply to the local market. Though the contribution from this frozen segment of the business remains small, at approximately 1.40% (FYE 2019 : 1.88%) of the overall turnover in FYE 2020, there are slightly decrease in frozen product mainly due to decrease in demand from local market. The Board expects this segment to be lucrative and is able to contribute positively to the Group moving forward mainly due to the maturing of the local market in general, as the fishery supplies from captured sea fishes continues to dwindle.

The Group will continue to explore breeding and rearing technology for other fast-growing species that can generate positive cash flow for the Group. One of the species that the Group has started production is the barramundi or asian seabass. In March 2016, for sale in the local market as the company has yet to export its live barramundi fish to overseas due to the market demand. Nevertheless, the Group will also continue to monitor the demand from the local market and conduct further research on its aquaculture operations in order to improve its efficiency and to embark on cost saving measures as and when situation permits.

The Group also continues to place significant emphasis on its R&D division in order to improve its broodstock management. Our teams of R&D experts are recruited from Japan, South Korea and Malaysia. The Group is not only purchasing high value species of broodstock from local market and other countries, but also continuously conducts its own R&D for breeding new cross-breed marine finfish species so as to remain competitive. The Group currently has about 2,126 broodstocks of over 10 high value species, as compared with 3,021 broodstocks in FYE 2019. Higher fatality rate on the broodstock was mainly due to conduct of R&D for breeding.

FINANCIAL REVIEW

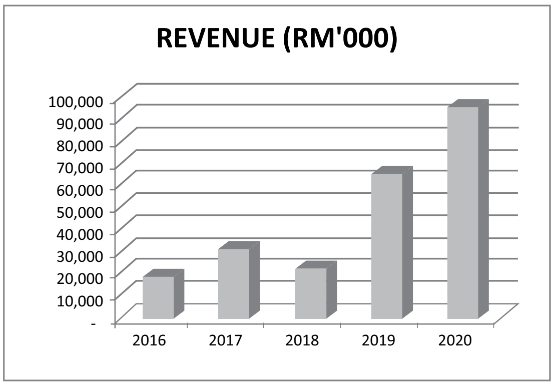
Five Years Financial Highlights

Amount (RM'000)	2016	2017	2018 (Restated)	2019	2020
		Financial Year ended 31 March			
Income Statement					
Revenue	18,299	31,091	22,219	65,052	95,131
(Loss)/ Profit before taxation	(4,025)	19,364	30,516	4,381	(197,543)
Taxation	683	(8,398)	(11,968)	1,320	16,562
(Loss)/Profit for the financial year	(3,342)	10,966	18,542	5,701	(180,981)
Assets					
Property,plant and equipment	45,955	39,390	62,196	67,420	71,290
Intangible assets	32	96,134	96,134	92,906	72,759
Non-current asset held for sale	–	–	1,506	–	–
Non-current and current biological assets	88,050	102,103	156,837	157,111	2,428
Inventories	853	932	1,359	2,538	3,443
Trade and other receivable	33,422	39,006	26,306	27,350	4,232
Tax recoverable	65	148	127	86	1,341
Cash and bank balances	778	36,973	5,905	11,293	9,143
Total Assets	169,155	314,686	350,370	358,704	164,636
Equity and liabilities					
Share capital and premium	127,089	274,189	278,873	283,583	284,314
Other reserve	13,048	10,718	10,815	10,815	10,815
Retained profits / (Accumulated losses)	4,090	(7,584)	28	5,729	(175,252)
Total equity	144,227	277,323	289,716	300,127	119,877
Loans and borrowings (Non-current)	1,402	192	7,661	7,020	11,142
Deferred income	5,764	4,889	4,013	3,137	2,262
Deferred tax liabilities	3,011	13,726	25,701	22,300	51
Loans and borrowings	9,851	12,680	15,583	14,564	11,010
Trade and other payables	4,900	5,876	7,696	9,476	20,294
Taxation	–	–	–	2,080	–
	24,928	37,363	60,654	58,577	44,759
Total equity and liabilities	169,155	314,686	350,370	358,704	164,636
(Loss)/profit per share (sen)	(0.78)	2.38	3.09	0.72	(14.78)
Total asset per share (sen)	39.16	52.58	58.35	45.01	13.44

Management Discussion And Analysis
(Cont'd)

FINANCIAL REVIEW (CONT'D)

Revenue



The Group recorded a revenue of RM95.13 million for FYE2020 (FYE2019: RM65.05 million), revenue has increased by 46.24% compared with the revenue in FYE 2019. The increase was mainly due to Wullersdorf generated higher total sales of RM85.84 million (FYE2019 RM39.38 million) represents approximately 440.58 kgs of net gold sold and 66.40 kgs of silver sold during the year.

(Loss)/Profit before taxation

Other Income and Expenses before taxation

	Financial Year ended 31 March				
Amount (RM'000)	**2016**	**2017**	**2018**	**2019 (Restated)**	**2020**
Other Income					
Othe operating income	1,751	3,280	2,699	2,789	1,894
Fair value gain on biological assets	–	39,031	55,549	–	–
Expenses					
Cost of sales	10,834	36,156	22,402	33,139	64,498
Fair value loss on biological assets	–	–	–	10,960	161,052
Impairment on financial assets	–	–	7,554	126	21,271
Impairment on plant and equipments	–	–	–	–	4,392
Other operating expenses	–	–	–	5,768	33,192
Selling and distribution expenses	5,669	7,833	6,632	6,155	1,724
Administrative expenses	6,557	9,030	12,260	5,409	6,766
Finance cost	1,015	1,018	1,103	1,903	1,673

1) The decrease in other operating income from RM2.79 million to RM1.89 million was mainly due to Wullersdorf generated profit from sales of log & timbers which amounted to RM1.30 million in FYE 2019.

2) The increase in cost of sales from RM33.14 million to RM64.50 million was mainly due to increase on total operation cost which incurred for gold mining operation by Wullersdorf from RM28.43 million in FYE 2019 to RM62.81 million in FYE 2020. The significant increase on total operation cost such as chemical, fuel & oil and repair and maintenance for carrying out gold mining operation which was in line with the increase on revenue generated during the year.

3) The increase in fair value loss on biological assets from RM10.96 million in FYE 2019 to RM161.05 million in FYE 2020 was mainly due to in consideration of the challenges of the Covid-19 pandemic and its impact on global economy, in particular on the economy of Hong Kong and China, the Group projected a significant drop in the sales volume of its aquaculture products and selling price, in particular to Hong Kong and China for the next 12 months to 31 March 2021 pursuant to MFRS 141. The fair value of the biological assets is estimated by the Directors based on a fair value model for which the Group expected yearly sales volume dropped from 310,000kgs to 46,000kgs and selling price dropped from RM52-RM151 to RM20-RM50 will resulted in significant fair value loss on biological assets.

FINANCIAL REVIEW (CONT'D)

(Loss)/Profit before taxation (Cont'd)

Other Income and Expenses before taxation (Cont'd)

4) The increase in impairment on financial assets from RM0.13 million to RM21.27 million was mainly due to increase in allowance for impairment on trade receivables incurred by Plentiful and Plentiful Earnings during the year, details as shown below:

Company	Description	2020 (RM'000)	2019 (RM'000)
Plentiful	Deposit written off	14	11
Plentiful	Impairment on trade receivables	8,604	348
Plentiful	Impairment on other receivables	56	–
Plentiful Earnings	Impairment / (Reversal of impairment) on trade receivables	12,597	(233)
	Total	21,271	126

5) The impairment on plant and equipments related to impairment on floating platforms, fish net and cages and tugboat in Silam, Lahad Datu which amounted to RM4.39 million during the year, details as shown below:

Company	RM'000
Plentiful	4,319
Plentiful Earnings	40
Marine	33
Total	**4,392**

6) The increase in other operating expenses from RM5.77 million to RM33.19 million was mainly due to the following reasons:

   (a) Mainly due to increase on amortization of mining rights from RM3.23 million in FYE 2019 to RM20.15 million in FYE 2020.

   (b) Mainly due to increase on fatalities charge on fishfry from RM2.14 million in FYE 2019 to RM11.74 million in FYE 2020.

7) The decrease in selling and distribution expenses from RM6.16 million to RM1.72 million was mainly due to the following reasons:

   (a) Mainly due to Salient sold the vessel named BA no.1 and its furniture, fittings and equipment to an oversea buyer namely Ocean Rich Shipping Limited as at FYE 2019 therefore no operation costs incurred for BA no.1 for FYE 2020. Furthermore, fuel & oil and depreciation of property, plant and equipments will be reclassified from selling and distribution expenses to administrative expenses due to cease of operation during the year.

   (b) Decrease in live fish sales commission and hired on fish carrier which incurred by Plentiful Earnings during the year which was in line with the decrease in sales to Hong Kong due to current eroding political situation in Hong Kong.

8) The increase in administrative expenses from RM5.41 million to RM6.77 million was mainly due to fuel & oil and depreciation of property, plant and equipments incurred by Salient which amounted to RM0.71 million will be reclassified from selling and distribution expenses to administrative expenses due to cease of operation during the year.

FINANCIAL REVIEW (CONT'D)

(Loss)/Profit before taxation (Cont'd)

Other Income and Expenses before taxation (Cont'd)

9) The decrease in finance cost from RM1.90 million to RM1.67 million was mainly due to repayment of revolving credit and loan which amounted to RM0.50 million and RM5.03 million respectively during the year.

Taxation

During the financial year, there was decrease in income tax expense, mainly due to the decrease in deferred tax liabilities after the fair value adjustment on biological assets are recognised during the financial year.

Plentiful Earnings, an indirect wholly-owned subsidiary of the company, has been granted tax incentive under Section 127, of the Income Tax Act, 1967 for the exemption of tax on statutory income from fish breeding, fish fry hatchery and fish rearing activities for a period of 10 years commencing 1 April 2013.

Cash flow

The decrease in cash and cash equivalents from RM3.63 million to RM1.57 million was mainly due to increase in repayment of hire purchase payables and loan which amounted to RM9.46 million during the year as compared to RM2.82 million in FYE 2019.

Assets, Equity and Liabilities

1. Property, plant and equipment increased by RM3.87 million from RM67.42 million in FYE 2019 to RM71.29 million during the year was mainly due to the purchase of heavy machineries and equipments by Wullersdorf to carry out the group's gold mining operation at Bukit Mantri, Tawau, Sabah.

2. Intangible assets decreased from RM92.91 million in FYE 2019 to RM72.76 million in FYE 2020 was mainly due to amortization of mining rights which amounted to RM20.15 million charged during the year.

3. The biological assets of RM2.43 million as at the end of the current financial year (FYE 2019: RM157.11 million) was mainly due to significant increase on fair value loss on biological assets. As highlighted in Note 3 in page 15, the fair value of the biological assets is estimated by Directors based on fair value model that present values the future cash flows from sales less the cost of rearing the entire fishery livestocks for which the Group's projected a significant drop in the yearly sales volume and selling price will resulted in the reduction in the fishery livestocks during the year.

4. Inventories increased from RM2.54 million in FYE 2019 to RM3.44 million in FYE 2020 was mainly due to increase in spare parts stocks, chemical stocks, fuel, lubricants and oil was kept under inventories by Wullersdorf from RM1.68 million in YE 2019 to RM3.13 million in YE 2020 to carry out the group's gold mining operation at Bukit Mantri, Tawau, Sabah.

5. The trade and other receivables of RM4.23 million (FYE 2019: RM27.35 million) decreased was mainly due to increase in impairment on financial assets from RM0.13 million to RM21.27 million during the year.

6. The Group's total equity decreased by approximately RM180.25 million in FYE 2020 in comparison with FYE 2019 mainly due to loss for the year.

FINANCIAL REVIEW (CONT'D)

Assets, Equity and Liabilities (Cont'd)

7. The net increase in total borrowings of RM0.57 million from RM21.58 million in FYE 2019 to RM22.15 million in FYE 2020 was mainly due to the following reasons:

   (a) Full repayment of bank loan amounting to RM5.03 million

   (b) Full repayment of revolving credit amounting to RM0.5 million from Malayan Banking Berhad

   (c) Repayment of hire purchase payables amounting to RM4.43 million

   (d) Increase in hire purchase facilities of RM9.68 million for the purchase of heavy machineries and equipments by Wullersdorf to carry out the group's gold mining operation at Bukit Mantri, Tawau, Sabah.

8. The trade and other payables increased by 114.03% to RM20.29 million (FYE 2019: RM9.48 million) mainly due to outstanding balances owing to creditors for the purchase of spare parts, chemicals and materials for repair and maintenance incurred on gold mining and aquaculture operation during the year.

CORPORATE PROPOSAL

There was no corporate proposal that has been announced but has not been completed as at the date of this report.

COMPANY'S PROSPECTS

Bahvest has diversified its core business into gold mining, instead of wholly dependent on aquaculture. Bahvest has commercially commenced gold mining operations during 30 September 2018. Through the diversification into gold mining business, the Group expects this new segment to contribute positively to its future earnings as well as its long-term objective of achieving sustainable growth and value enhancement to the shareholders of Group. The Group expects its core business of gold production to improve further as it focuses on its production from the epithermal veins as their grades are higher than those extracted from the topsoil.

In consideration of the challenges of Covid-19 pandemic and its impact on global economy, in particular on the economy of Hong Kong and China, the demand for the Group's live and frozen fishes and other related products are expected to be negatively impacted too. Pursuant thereto, the Group will try to rationalize and improve its aquaculture's operation cost efficiency to mitigate the expected slowdown.

Despites the expected challenges to the Group's aquaculture business, barring any unforeseen circumstances, the Board of Directors anticipates that the Group would be able to achieve satisfactory operating results for the financial year ending 31 March 2021, with the improving financial performances from the Group's mining operations.

OVERVIEW STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors ("Board") of Bahvest recognises the importance of the principles and best practices set out in the Malaysian Code on Corporate Governance 2017 ("Code") as a key factor towards achieving optimal governance framework and processes in the management of Bahvest group of companies businesses and operational activities. The Board commits to the establishment of various policies and procedures for the enhancement of the Group's governance practices.

In relation to the principles and recommendations of the Code, the Board is pleased to provide the following statement in which the Group has applied the Principles of the Code and the extent of compliance with best practices advocated therein.

This statement should be read together with Corporate Governance Report 2020 which is available on the Company's website at www.bahvest.com.my.

1. THE BOARD OF DIRECTORS

1.1 Roles and Principal Duties

The Board takes full responsibility for the performance of the Group and guides the Company on its short and long-terms goals, providing advices and directions on strategy as well as business development matters while at the same time, providing a balance view to the management of the Group. All Board members bring with them independent judgment on issues of strategic, performance, resources and standard of conduct.

The Board's responsibilities includes, but not limited to the following:

- Reviews and adopts strategic plans for the Group;
- Oversees the conduct of the Group's business to evaluate whether the business is being properly managed;
- Identifies principal risks and ensures the implementation of appropriate systems to manage these risks;
- Succession planning, including appointing, training, fixing the compensation of and where appropriate, replacing senior management;
- Develops and implements investor relation program or shareholders' communication policy for the Group; and
- Reviews the adequacy and integrity of the Group's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

The Board has adopted a Board Charter which among others, provide guidance to the Board in discharging its responsibilities and duties. The Charter also inter-alia outlines the composition and balance of the Board, the authorities of the Board, the setting-up of various Board Committees to assist the Board, as well as the processes and procedures while convening Board Meetings.

The key matters which are reserved for the Board's approval include business plan, annual budget, dividend policy, business continuity plan, new issuance of securities, business restructuring and disposal and acquisition of assets/investments.

The Board Charter was reviewed by the Board during the financial year.

Overview Statement On Corporate Governance (Cont'd)

1. THE BOARD OF DIRECTORS (CONT'D)

1.2 Board Composition and Balance

The Board headed by the Non-Independent Non-Executive Chairman currently consists of six (6 members comprising of three (3) Executive Director, one (1) Non-Independent Non-Executive Directors and two (2) Independent Non-Executive Directors. The Company is in compliance with Rule 15.02 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("ACE Market Listing Requirements"), which requires the Board to have at least two (2) Directors or one-third (1/3) of the Board as Independent Directors. Each Director brings with him a wide range of business and financial experiences that are relevant to the Group. Pages 8 to 10 outlined briefly the background of each Director.

Non-Independent Non-Executive Chairman	Dato' Sri Dr. Md Kamal Bin Bilal
Managing Director / Chief Executive Officer / Executive Director	Datuk Lo Fui Ming
Executive Directors	Lo Teck Yong Akinori Hotani
Independent Non-Executive Directors	Tan Sri Dato' Nik Hashim Bin Nik Ab. Rahman Sim Kay Wah

The roles of the Independent Non-Executive Directors are to instill independence and objectivity into the Board's decisions making process, providing constructive challenges whilst actively participate in the development of the Group's business strategies. The Independent Non-Executive Directors are persons of high caliber and integrity, and they collectively possess rich experience and bring varied commercial experience to the Board. Their presence also provide an effective check and balance mechanism in any Board's proceedings while ensuring that no single individual has unrestricted authority or influence over any Board decisions. All the Independent Non-Executive Directors do not participate in any operational decision making, business transaction or have any relationship with the management of the group. Any concerns may be conveyed to Tan Sri Dato' Nik Hashim Bin Nik Ab. Rahman, who is the Group's Senior Independent Non-Executive Director.

The Board recognises the Code's recommendation on the service tenure of an independent director, which should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an independent director may continue to serve on the board subject to the director's re-designation as a non-independent director. The Company does not have a specific policy governing the tenure of independent directors for the time being.

During the financial year, the Board has conducted an assessment on the Independent Directors and obtained confirmation of independence from each Independent Director, satisfied with the level of independence demonstrated by each of them. None of the independent directors has served the Company exceeding a cumulative term of nine (9) years.

The Board has conducted annual assessment which comprises Board Effectiveness Appraisal, Individual Director Self Performance Evaluation and Board Committees Member Performance Evaluation. The Chairman of the Nominating Committee has presented the findings of the appraisal and performance evaluation conducted at the Nominating Committee meeting to the Board.

The Board composition represents a mix of knowledge, skills and expertise to effectively discharge its stewardship responsibilities in spearheading the Group's growth and future direction. The Non-Independent Non-Executive Chairman is responsible for the Board's effectiveness and standard of conduct whilst the Managing Director / Chief Executive Officer has the overall responsibility to oversee the Group's business and its operations. The clear segregation of responsibilities between these roles will ensure a balance of power and authority. It is however noted that achieving gender diversity in the industry of which the Group is operating in is challenging. Nevertheless, the Board will strive towards introducing female Board members when suitable candidates are identified.

Overview Statement
On Corporate Governance
(Cont'd)

1. THE BOARD OF DIRECTORS (CONT'D)

1.3 Appointments and Re-elections of Directors

All appointments of new directors to the Board are properly made with an established and transparent procedure and in compliance with the relevant rules of the relevant authorities. Any appointment of additional director will be made as and when it is deemed necessary by the existing Board, through recommendation from the Nominating Committee, with due consideration given to the mix and range of expertise and experience required for an effective Board.

New appointees will be considered and evaluated by the Nominating Committee. The Nominating Committee will thereafter recommend the candidates for the Board's approval. Company Secretary will subsequently ensure that all appointments as approved by the Board are properly made, all information obtained, and that all legal and regulatory conditions are fulfilled.

In accordance with Article 107 of the Company's Constitution, at each Annual General Meeting, one-third (1/3) of the Directors for the time being, or if their number is not a multiple of three (3), the number nearest to one-third (1/3) with a minimum of one (1), shall retire from office and an election of Directors shall take place provided always that each Director shall retire at least once in every three (3) years but shall be eligible for re-election. The Directors to retire in each year shall be those who have been longest in office since their last election. An election of Directors shall take place each year and the Directors retiring at a meeting shall retain office until the close of the meeting whether adjourned or not.

Article 100 of the Company's Constitution also stated that any newly appointed Director shall only hold office until the next following Annual General Meeting and then shall be eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation pursuant to Article 107. There is no new appointment of Director in FYE 2020. At the forthcoming Sixteenth Annual General Meeting of the Company, Datuk Lo Fui Ming and Lo Teck Yong shall retire in accordance with Article 107 of the Company's Constitution and all being eligible, offer themselves for re-election.

1.4 Committees of Directors

In line with the Best Practices of the Code, the Company has established three (3) Committees of Directors ("Committees") to assist in the performance of certain duties of the Board under specific terms of reference. The Committees comprise of Non-Independent and Independent Non-Executive Directors whom collectively possess rich experience and bring varied commercial experience to the Board. The Board receives minutes and reports of the Committees' proceedings and deliberations. The Committees have the authority to examine specific issues and report back to the Board with their recommendations. The ultimate responsibilities for the final decision on all matters, however, lie with the entire Board.

The Committees established are as follows:

(i) Audit Committee

(a) The Audit Committee comprises entirely Non-Executive Directors as follows:

- Chairman : Sim Kay Wah
- Members : Dato' Seri Dr. Md Kamal Bin Bilal
  : Tan Sri Dato' Nik Hashim Bin Nik Ab. Rahman

1. THE BOARD OF DIRECTORS (CONT'D)

1.4 Committees of Directors (Cont'd)

(i) Audit Committee (Cont'd)

(b) Full details of the Audit Committee Term of Reference can be found at the Company's website at www.bahvest.com.my.

(c) The Audit Committee Report is presented on pages 29 to 31 of this Annual Report.

(ii) Nominating Committee

(a) The Nominating Committee comprises entirely of Non-Executive Directors:

- Chairman : Tan Sri Dato' Nik Hashim Bin Nik Ab. Rahman
- Members : Sim Kay Wah
  : Dato' Sri Dr. Md Kamal Bin Bilal

(b) Primary Responsibilities and Functions

- Recommends to the Board the nomination of a person or persons to be a Board member(s) by shareholder(s) or Director(s);
- Recommends to the Board, Directors to fill the seats on Board Committees;
- Assesses the effectiveness of the Board as a whole, the Committees of the Board and contribution of each existing individual Director and thereafter, recommends its findings to the Board;
- Reviews on annual basis the term of office and performance of the Audit Committee and each of its members.
- Reviews the required mix of skills and experience and other qualities, including core competencies which Non-Executive Directors should bring to the Board and thereafter, recommends its findings to the Board; and
- Based on the yearly assessment conducted, recommends to the Board and shareholders the director(s) who are subject to re-election at the next Annual General Meeting.

(c) The current Chairman of the Nominating Committee is Tan Sri Dato' Nik Hashim Bin Nik Ab. Rahman, the Senior Independent Non-Executive Director of the Company.

(d) The assessment of the Nominating Committee is conducted by the Board as a whole.

(e) Full details of the nomination and election process of Board members can be found at the Company's website at www.bahvest.com.my.

(f) The activities of the Nominating Committee carried out during the year were as follows:

- Reviewed the mix of skill and experience and other qualities of the Board;
- Reviewed the assessment of the effectiveness of the Board as a whole, the board of Committees and the Directors;
- Reviewed and recommended to the Board on the re-election of Directors retiring at the Annual General Meeting; and
- Reviewed the term of office and performance of the Audit Committee and each of its members.

Overview Statement On Corporate Governance (Cont'd)

1. THE BOARD OF DIRECTORS (CONT'D)

1.4 Committees of Directors (Cont'd)

(iii) Remuneration Committee

(a) The Remuneration Committee comprises all Non-Executive Directors as follows:

- Chairman : Tan Sri Dato' Nik Hashim Bin Nik Ab. Rahman
- Members : Dato' Sri Dr. Md Kamal Bin Bilal
  : Sim Kay Wah

(b) Primary Responsibilities and Functions

- Establishes remuneration policy and procedures. This policy and procedures can be found at the Company's website at www.bahvest.com.my;
- Reviews and recommends to the Board the remuneration packages of the Executive Directors; and
- Assesses the remuneration packages of Non-Executive Directors based on their experience and level of responsibilities undertaken by them before recommending to the Board and shareholders.

The Remuneration Committee is responsible to recommend to the Board a remuneration framework for Directors with the objective of ensuring that the Company attracts and retains the Directors needed to manage the Group successfully. It is the ultimate responsibility of the full Board to approve the remuneration of the Executive Directors with the respective Directors abstaining from decisions in respect of their own remuneration.

The determination of the remuneration of the Non-Executive Directors is a matter for the Board with the individual Directors abstaining from decision in respect of their own remuneration before recommending to the shareholders.

During FYE 2020, the Remuneration committee has reviewed the remuneration package of the Executive Directors.

(c) The Employee Share Option Scheme ("ESOS") Committee was established to administer the ESOS of the Group in accordance with the objectives, Rules and Regulations thereof and to determine the participation eligibility, option offers and shares allocation and to attend to such other matters as may be required. The Committee comprises of the Group Managing Directors / Chief Executive Officer, the Finance Manager and the Group Accountant.

(d) Summary of Reports

For the financial year ended 31 March 2020, a total sum of RM1.38 million was paid or payable to the Directors of the Group. Detailed movement of Directors' share options during the financial year ended 31 March 2020 is presented on Page 43 of this Annual Report. The details of the Directors' remuneration of the Company and the group for the financial year ended 31 March 2020 are as follow:

1. THE BOARD OF DIRECTORS (CONT'D)

1.4 Committees of Directors (Cont'd)

(iii) Remuneration Committee (Cont'd)

(d) Summary of Reports (Cont'd)

(i) Remuneration of the Directors of the Company for services rendered to the Bahvest Group:

	Salaries and other emoluments RM(000)	Fee RM(000)	Breeding Commissions RM(000)	Total RM(000)
Executive Directors				
Datuk Lo Fui Ming	673	–	–	673
Lo Teck Yong	271	–	–	271
Akinori Hotani	96	–	50	146
Non-Executive Directors				
Dato' Sri Dr. Md Kamal Bin Bilal	–	180	–	180
Tan Sri Dato' Nik Hashim Bin Nik Ab. Rahman	5	60	–	65
Sim Kay Wah	5	36	–	41

(ii) Directors' Remuneration for services rendered to the Company:

	Salaries and other emoluments RM(000)	Fee RM(000)	Breeding Commissions RM(000)	Total RM(000)
Non-Executive Directors				
Dato' Sri Dr. Md Kamal Bin Bilal	–	180	–	180
Tan Sri Dato' Nik Hashim Bin Nik Ab. Rahman	5	60	–	65
Sim Kay Wah	5	36	–	41

Remuneration paid to the four (4) Key Senior Managements who are not Directors of Bahvest for the financial year ended 31 March 2020 falls into the following bands:

Range of remuneration	Group	Company
RM50,001 – RM200,000	2	–
RM200,001 – RM350,000	0	–
RM350,001– RM500,000	2	–

The remuneration of these four (4) Key Senior Management of the Company disclosed above are on an aggregate basis due to confidentiality and security concerns. The Board ensures that the remuneration of Senior Management is commensurate with the performance of the Company, with due consideration to attract, retain and motivate Senior Management to lead and run the Group successfully.

1. THE BOARD OF DIRECTORS (CONT'D)

1.5 Board Meetings

The Board meets regularly and at least quarterly to review and monitor the development of the Group. Additional meetings will be convened as and when required. The agenda for each Board meeting is circulated to all the Directors for their perusal in advance of the Board meeting date. The Directors are given sufficient time to obtain further information and explanation, where necessary, in order to be briefed properly before the meeting.

The proceedings and resolutions reached at each Board meeting are recorded in the minutes of meetings, which are kept in the minutes book at the registered office of the Group.

Besides Board meetings, the Board exercises control on matters that require its approval through circulation of Directors' Resolutions.

The Board held five (5) Board Meetings during the financial year ended 31 March 2020. The summary of attendance of each individual Director is as follows:

Director	Meetings Attended
Dato' Sri Dr. Md Kamal Bin Bilal	5/5
Datuk Lo Fui Ming	3/5
Lo Teck Yong	4/5
Akinori Hotani	5/5
Sim Kay Wah	5/5
Tan Sri Dato' Nik Hashim Bin Nik Ab. Rahman	5/5

All the Directors, have complied with the minimum of 50% attendance requirement in respect of Board meetings, as prescribed by the ACE Market Listing Requirements.

1.6 Supply of Information

The Board members have access to the advices and services of the Company Secretaries and all information in relation to the Group whether as a full board, or in their individual capacity to assist them in carrying out their duties. The Directors may engage independent professionals at the Group's expense on specialised issues to enable the Board to discharge their duties with adequate knowledge on the matters being deliberated.

Along with good governance practices and to enhance transparency and accountability, the Board has put in place the following policies and procedures and they are made available at the Company's website at www.bahvest.com.my:

- Board Charter and Code of Ethics and Conduct
- Shareholder's Rights relating to General Meeting
- Whistleblowing Policy
- Sustainability Policy and Corporate Social Responsibility ("CSR")
- Term of reference of Audit Committee
- Term of reference of Nominating Committee

1. THE BOARD OF DIRECTORS (CONT'D)

1.7 Number of Directorship in Other Companies

Director, prior to accepting new directorship in other public companies, must inform the Chairman of the Board of such appointment and an indication of the time the Director will spend on the new appointment.

The following Director of the Company also holds directorships in other public listed companies:

Director	Name of Company	Directorship
Tan Sri Dato' Nik Hashim Bin Nik Ab. Rahman	Olympia Industries Bhd Tropicana Golf & Country Resort Bhd	Senior Independent Non-Executive Director Independent Non-Executive Chairman

1.8 Directors' Training

The Board recognises the importance of training as a continuous knowledge development for Directors in order to ensure that the Directors stay updated of the latest development and changes in laws and regulations and business environment to enable them to fulfill their responsibilities as Director and to act in the best interest of the Group and shareholders.

Every Director is encouraged to evaluate their own training needs and undergo continuous training to equip themselves to enhance their knowledge and effectively contribute to the Board.

For newly appointed directors, they are encouraged to visit the Company's hatchery, nursery and rearing centers to enhance their knowledge and understanding of the Group's operation in which they would assist the Board to make effective decisions later.

During the financial year, Directors of the Company have attended the following seminars with relevant topics as follows:

Directors	Course Name	Organizer
Datuk Lo Fui Ming	2020 Tax Budget	Ernst & Young Tax Consultants Sdn. Bhd.
Lo Teck Yong	2020 Tax Budget	Ernst & Young Tax Consultants Sdn. Bhd.
Akinori Hotani	2020 Tax Budget	Ernst & Young Tax Consultants Sdn. Bhd.
Tan Sri Dato' Nik Hashim Bin Nik Ab. Rahman	Audit Committee Institute Breakfast Roundtable 2019 Executive Talk on Integrity and Governance	Klynveld Peat Marwick Goerdeler (KPMG) The Malaysian Institute of Integrity
Sim Kay Wah	Application of latest IFRS 9, IFRS 15, IFRIC-Int 22 which become effective after 1 January 2018 in context of Hong Kong Listing Entities.	HLB Hodgson Impey Cheng Limited

2. CORPORATE DISCLOSURE

The Company is aware of its responsibilities and obligations to continue in its implementation of a corporate disclosure policy to ensure timely, accurate, clear and complete disclosure of all material information necessary for informed investment decisions and also to take reasonable steps to ensure that all investors in the Company's securities have equal access to such information to avoid any individual or selective disclosure.

3. SHAREHOLDERS COMMUNICATION AND INVESTOR RELATIONS

The Company is committed to maintaining effective communication with its shareholders and other stakeholders. The Group has been making timely announcements to the public with regards to the Group's corporate proposals, financial results, other regulatory announcements as well as information which would be of interest to the investors and members of the public. The Company has implemented a number of formal channels to communicate timely with its shareholders as below:

(i) Annual Report;

(ii) Various disclosures and announcements made to Bursa Malaysia Securities Berhad including the quarterly results and annual results, which are available publicly on the internet via Bursa Malaysia Securities Berhad's website at http://www.bursamalaysia.com or can be viewed from the Company's website at www.bahvest.com.my;

(iii) The Company's website at www.bahvest.com.my which provides another vital communication channel for investors and shareholders to access corporate information and news related to the Group; and

(iv) The Group's Annual General Meeting ("AGM"), which is an important forum where communications with shareholders are effectively conducted. The Board ensures that each item of special business included in the notices of the AGM is accompanied by a full explanation of the effects of any proposed resolution. Shareholders are encouraged to participate in the proceedings and question and answer session.

The Non-Independent Non-Executive Chairman and the Board Members are prepared to respond to all queries and undertake to provide sufficient clarification on issues and concerns raised by the shareholders. The external auditors are also present to provide their professional and independent clarification, if required, on issues highlighted by the shareholders.

4. SUSTAINABILITY POLICY

The combination of economic, environmental and social issues in the way we plan, execute and monitor our business is critical to the growth and success of the Group. Our efforts over the last few years define the way we manage sustainability. We have set the structure from which to outline our plan and continuously improve, both in performance and evolution of our overall approach to sustainability.

We will grow and protect our stakeholders' value by incorporating sustainability into our core business strategy, risk management and operational performance. Sustainability helps us to conduct business responsibly and provides a platform for innovation, operational efficiency and management of emerging sustainability risks. The Group's Sustainability Policy can be found at the Company's website at www.bahvest.com.my.

The Sustainability Statement is reviewed by the board, is on Pages 36 to 42 of this Annual Report.

5. ACCOUNTABILITY AND AUDIT

5.1 Financial Reporting

The Board has taken reasonable steps to provide a balanced and comprehensive assessment of the Group's financial performance and prospects, primarily through the annual report, quarterly financial results and research reports (if any). The Board has adopted suitable accounting policies in the preparation of the financial statements and applied them consistently as well as making judgments that are prudent and reasonable.

The quarterly and annual financial statements, as well as the Audit Committee Report in the Annual Report, are reviewed by the Audit Committee and subsequently approved by the Board, before release for announcement to Bursa Malaysia Securities Berhad.

5. ACCOUNTABILITY AND AUDIT (CONT'D)

5.2 Internal Control

The Board has the responsibility for maintaining a sound system of internal controls which provides reasonable assessments of the effectiveness and efficiency of operations, internal controls and compliance with laws and regulations as well as risk management to safeguard shareholders' investments and the Group's assets. The Board also recognises that the system of internal control has inherent limitations and is aware that such a system can only provide reasonable and not absolute assurance against material misstatements, loss or fraud.

The Statement on Risk Management and Internal Control which is prepared by the Board, is on Pages 32 to 35 of this Annual Report.

5.3 Relationships with the Auditors

The Company has always maintained a transparent and formal relationship with its auditors, both internal and external, in seeking professional advice and ensuring compliance with reporting standards in Malaysia. The Audit Committee has a direct communication channel with the internal and external auditors. During the financial year, the Audit Committee had a meeting with the external auditors without the presence of the Executive Directors and management.

The Board at the recommendation of the Audit Committee, has agreed to recommend to shareholders to appoint Messrs PKF as auditor of the Company for the financial year ending 31 March 2021.

The roles of the Audit Committee in relation to the external and internal auditors are set out in the Audit Committee Report on Pages 29 to 31 of this Annual Report.

5.4 Statement of Directors' Responsibility for Preparing the Financial Statements

The Directors are required by the Companies Act, 2016 to prepare the financial statements for each financial year which have been made out in accordance with the applicable approved accounting standards to give a true and fair view of the financial position of the Group and of the Company at the end of the financial year, and of their financial performance and cash flows for the financial year then ended.

In preparing the financial statements, the Directors have:

- ensured that selected appropriate accounting policies are being applied consistently;
- made judgments and estimates that are reasonable and prudent;
- ensured that all applicable accounting standards have been followed;
- ensured that the provisions of the Companies Act, 2016 and the ACE Market Listing Requirements have been applied; and
- prepared the financial statements on a going-concern basis as the Directors have reasonable expectation, having made enquiries, that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future.

The Directors also have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

AUDIT COMMITTEE REPORT

The Audit Committee ("AC") was established to assist the Board in fulfilling its oversight responsibilities, specifically in the areas of corporate governance, risk management, internal control and financial reporting practices of the Group. This Audit Committee Report provides insights on how the AC discharged its functions during the financial year ended ("FYE") 31 March 2020.

Composition and Attendance

The AC comprises of three members. All the Committee members are Non-Executive Directors ("NEDs"), in line with ACE Market Listing Requirements rule 15.09 (1)(a) and (b). The AC composition and the meetings attendance for the year ended 31 March 2020 are listed below:

Audit Committee	Director's Name	Status of Directorship	Meetings Attended
Chairman	Sim Kay Wah	Independent and Non-Executive	5/5
Member	Tan Sri Dato' Nik Hashim Bin Nik Ab. Rahman	Senior Independent and Non-Executive	5/5
Member	Dato' Sri Dr. Md Kamal Bin Bilal	Non-Independent and Non-Executive	5/5

The AC Chairman, Mr. Sim Kay Wah is a member of CPA Australia and the Malaysian Institute of Accountants. Accordingly, the Group is also in compliance with paragraph 15.09 (1)(c) of the ACE Market Listing Requirements.

The term of office of the AC members are reviewed annually by the Nominating Committee ("NC") through a performance evaluation process, whereby each member's contribution as well as their independence in FYE 2020 are scrutinised and assessed. The NC will thereafter make the appropriate recommendations to the Board to retain or otherwise, the services of each AC member.

Meetings

During the financial year, the AC held five meetings. The AC meetings were conducted in accordance with the requisite quorum as stipulated in the AC's Terms of Reference. By invitation, EDs, including the Chief Executive Officer/Managing Director himself, and other senior management were requested to present the quarterly report and to assist in direct communications, as well as to provide clarification on audit issues and the Group's operations. The External Auditors and the outsourced Internal Auditors were also invited to present their respective cases to the AC and briefed the AC on specific issues arising from their respective audit findings. As part of the AC's duties, the AC reviews the Related Party Transactions on a quarterly basis to determine whether rules 10.08 and 10.09 of the ACE Market Listing Requirements have been complied with.

Minutes of each AC meeting were recorded and tabled for confirmation at the next AC meeting and subsequently presented to the Board for attention. During the financial year, the AC Chairman presented to the Board the AC's recommendations to approve the annual and quarterly financial results and statements. The AC Chairman also brought to the Board's attention matters of significant concern as and when raised by the External Auditors and/ or outsourced Internal Auditors.

SUMMARY OF WORKS

The followings works were undertaken by the AC during the financial year:

1. FINANCIAL REPORTING

The AC carried out review on the Group's financial results and statements for the fourth quarter of 2019 during its meeting on the 28 May 2019. The Group's annual audited financial statements and annual report for FYE 31 March 2019 were subsequently approved by the Board on 19 July 2019.

The Group's current financial year's first, second and third quarterly financial results and statements were reviewed by the AC at the AC meetings held on 29 August 2019, 28 November 2019 and 27 February 2020 respectively. These statements were unaudited and have been prepared in accordance with the requirements of the Financial Reporting Standard 134 – *Interim Financial Reporting;* and paragraph 9.22 (including Appendix 9B) of Bursa Malaysia Securities Berhad's ACE Market Listing Requirements.

On 26 June 2020, the AC reviewed the quarterly financial results and statements for the fourth quarter of 2020. The AC's recommendations were presented for approval at the subsequent Board meeting.

2. EXTERNAL AUDIT

a. On 28 May 2019, the lead audit engagement partner of the External Auditors, attended the AC meeting and confirmed their independence on the audit of the Group was in accordance with the International Federation of Accountants' Code of Ethics for Professional Accountants and the Malaysian Institute of Accountants' By-Laws.

   The AC also at the same meeting evaluated the External Auditors' performance and assessed their suitability and independence. The AC also reviewed the non-audit services rendered by the External Auditors during the course of FYE 31 March 2019, and noted that the provision of such non-audit services was within the Group's "Policy on the Provision of Non-Audit Services by External Auditors". The AC was satisfied that the External Auditors have the necessary technical competence and they have also demonstrated their audit independence adequately. The AC then recommended to the Board for approval the reappointment of Messrs. PKF as External Auditors for FYE 31 March 2020.

b. On 27 February 2020, the AC reviewed and noted the External Auditors' FYE 31 March 2020 Audit Planning Memorandum, outlining their scope of work, timeline and their proposed fees for the statutory audit.

c. On 26 June 2020, the AC reviewed the list of services comprising of audit services and non-audit services that have been or may be provided by the External Auditors. The non-audit services that were utilised or are expected to be utilised for FYE 31 March 2020 were tax compliance services and annual review of the Statement on Risk Management and Internal Control ("Assignment"). The non-audit service fees incurred or to be incurred for FYE 31 March 2020 were about RM5,000, representing approximately 2.25% of the total professional fees paid or payable to the External Auditors. The AC approved the engagement after reviewed the Assignment and confirmed that such Assignment was an acceptable non-audit service in compliance with the Group's "Policy on the Provision of Non-Audit Services by External Auditors", which was likely to neither create any conflict of interest nor impair the independence and objectivity of the External Auditors.

d. Having satisfied that there was no conflict of interest situation and that the independence and objectivity of the External Auditors are preserved, the AC recommended to the Board at its meeting held on the 26 June 2020, of which the Board approved, subject to the shareholders' approval to be sought at the forthcoming 16th Annual General Meeting on the appointment of Messrs. PKF as External Auditors of the Company for financial year ending 31 March 2021.

Audit Committee Report
(Cont'd)

SUMMARY OF WORKS (CONT'D)

3. INTERNAL AUDIT

The Group outsourced its internal audit function to an independent professional firm. The roles and responsibilities of the outsourced Internal Auditors is to provide the AC with independent and objective assurances on the adequacy and effectiveness of the system of internal control and recommending ways to rectify shortfalls (if any) in order to improve the existing control environment in relation to the Group's operations.

a. During FYE 31 March 2020, the AC reviewed the Internal Audit Reports submitted by the outsourced Internal Auditors, including their findings, recommendations, Management's responses, and actions taken on those recommendations. Where appropriate, the AC has directed the Management to rectify and further improve control procedures and workflow processes based on the outsourced Internal Auditors' findings and recommendations.

b. The total fee paid to the outsourced Internal Auditors during FYE 31 March 2020 amounted to RM30,000.

4. RISK MANAGEMENT & INTERNAL CONTROL

a. With the assistance of a professional firm, the Group developed and implemented its risk management framework, including the development of a Risks Register and the associated risks mapping.

b. During FYE 31 March 2020, the AC reviewed the risk map associated with medium to high impact potential risks to the Group. The AC also reviewed the adequacy and effectiveness of the policies and procedures and system of internal controls to monitor and manage risks in specific areas, based on the outsourced Internal Auditors' reports on specific business functions within the Group.

c. The AC also reviewed the Statement on Risk Management and Internal Control for inclusion in this Annual Report.

5. RELATED PARTY TRANSACTIONS

The AC reviewed on a quarterly basis any Related Party Transactions ("RPT") entered into by the Group to ensure that:

a. The RPTs had been conducted on the Group's normal commercial terms and were not detrimental to the Group's minority shareholders; and

b. Any disclosures (if any) that is required to be made are made in accordance with the ACE Market Listing Requirements.

6. OTHERS

a. On 19 July 2019, the AC reviewed and verified the allocation of options to eligible employees to ensure that it is in compliance with the By-Laws of the Employees Share Options Scheme approved by the shareholders of the Company on 3 January 2014.

This Report has been reviewed by the AC and approved by the Board for inclusion in this Annual Report.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors ("Board") recognises the importance of having a sound risk management and internal control system in order to safeguard shareholders' interests and the Group's assets. Thus, the Board is pleased to present its Statement on Risk Management and Internal Control for the financial year ended ("FYE") 31 March 2020, which outlines the nature and scope of the Group's risk management and internal controls. This Statement is prepared pursuant to paragraph 15.26(b) of the ACE Market Listing Requirements ("ACE LR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia"), guided by the Guidelines for Directors of Listed Issuers ("the Guidelines") as well as the principles and best practices stipulated in the Malaysian Code on Corporate Governance 2017.

BOARD'S RESPONSIBILITY

The Board affirms its responsibility for maintaining a sound and effective system of risk management and internal controls. The Board is assisted by the Audit Committee ("AC") and the Risk Management Committee ("RMC"), both committees are empowered by its respective terms of references, to ensure that key risk areas are managed adequately in order to achieve the Group's business objectives.

The Board recognises that this system of risk management and internal controls can only provide a reasonable, but not absolute assurance against material misstatement or loss. In view of the limitations inherent in such systems, the Risk Management Framework ("RMF") is designed to support mitigation, rather than elimination of risks and to provide reasonable assurances covering both financial and operational risks areas, within a risk tolerance level acceptable by the Board and the Management.

During FYE 31 March 2020, independent reviews were conducted by the outsourced Internal Auditors to ensure adequacy and effectiveness of the Group's internal controls system. Audit issues and actions taken by the Management to address the issues were presented to and deliberated by the AC during their scheduled meetings. Minutes of the AC meetings which recorded such deliberations were presented to the Board for their notation and/or further approval and deliberation, if any.

RISK MANAGEMENT PRACTICES

The Board has put in place a structured Enterprise Risk Management "(ERM") Framework to outline the risk governance and structure, risk policies, risk assessment process and integration of risk management into significant activities and function. The ERM framework is guided by the ISO31000:2018.

Whilst the Board oversee the establishment and implementation of the ERM framework of Bahvest, Risk Management Committee ("RMC") which consists of Executive Directors, Senior Management and selected Heads of Department was established to monitor the risk policy implementation, provide risk education to all staff, ensure accountability of risks identified are assigned and facilitate the risk reporting to the Board. Risk Owners and Risk Co-Owners were identified to manage the Group's top 5 risks.

The risk assessment process provides an integrated and structured approach in identifying, evaluating and managing significant risks that may affect the achievement of the Group's business objectives. It promotes risk ownership and continuous monitoring of significant risks identified by way of assigning accountabilities to the respective Heads of Department and key management staff.

Significant risks identified were maintained in a formal database of risks and controls information i.e., risk registers, which captures the possible root causes, existing key controls and impact. The risks were then categorised by the likelihood of occurrence and criticality of impact i.e., Low, Medium, High and Extreme. Risk profiles established for both the aquaculture and mining operations provided Management with a holistic view of the risks in its formulation of strategies and decision-making process.

Discussion session was held to review the risk rating and update of the risk profile for both aquaculture and mining operations, including the Group's top 5 risks and to discuss the key risk action plans to manage risks. The key risk action plans were also reviewed to assess the viability to complete within the expected end date and revision of key action plans (if the need arises). The implementation status of the key risk action plans was measured using a score-based methodology known as 'RAI-Scorecard'.

RISK MANAGEMENT PRACTICES (CONT'D)

Bahvest will continuously assess, update and monitor the implementation of key risk action plans identified for the Group's top 5 risks and ensure embedment into the internal controls system. The top 5 key risks are explained below:

Risk	Description	Mitigation
Liquidity risk	Liquidity risk refers to the inability for an organisation to realise the expected cash flows for the operations of the Group.	■ Financial support / ESOS / warrants by Bahvest is available for any additional working capital required ■ Cash flow model and financial projection is prepared to timely monitor the cash flow position and requirement of the Group ■ Summary of loan balances are prepared by the Group and are constantly monitored
Succession planning	Effective succession planning is critical to ensure the continuity of leadership and smooth running of the business operations in the event of long absence or departure of key Management staff, which includes the Managing Director, Executive Director, Finance Manager and respective Head of Departments.	■ Financial Authority Limit was established to delegate authority ■ Successor for key positions were informally identified ■ Informal knowledge transfer activities were carried out to entrust greater responsibilities
Breakdown of critical equipment and machineries	Critical equipment and machineries such as excavators, earth movers, augers, ball mill grinder, CIL tank, electrowinning tank etc are crucial for the day-to-day operations. Faulty equipment may lead to operations downtime and disruption.	■ Preventive maintenance schedule and checklist were established ■ Machine breakdown and downtime were recorded to analyse the root causes and identify preventive or corrective actions for continuous improvement ■ Standard Operating Procedure was established to guide workers on handling critical equipment and machineries
Metallurgical risk (low recovery)	Metallurgical risk is inherent in gold mining operation as the mineral content of the top soil / hard rock (i.e. sulphide and oxide ore) may vary at the different location in the mine area. The low recovery of the top soil / hard rock directly impacts the revenue as the selling price is based on the current bullion market rate.	■ Employment of competent workers in ore processing. ■ Sampling and laboratory tests are conducted to identify the mineral content and improve the gold recovery test. ■ Construction of dryer, burner and vertical shaft crusher are in progress at roasting plant for processing of sulphide ore.
Inaccurate geological assessment	Inaccuracies of the geological assessment may lead to inaccurate mining approach and inefficient use of mine area which may also pose a risk in relation to environmental issues.	■ Lab test analysis is sent to external lab for cross check ■ Implementation of grade control process is in place to ascertain the actual resource model to manage the risk

Statement On Risk Management And Internal Control (Cont'd)

RISK MANAGEMENT PRACTICES (CONT'D)

The risk management practices of the Group are on-going processes used to identify, evaluate and manage significant risks to the Group up to the date of approval of this Statement. The Board shall continue to evaluate the Group's risk management processes to ensure these processes remain relevant to the Group's requirements.

Internal Audit Function

The Group's internal audit function is outsourced to a professional services firm, to assist the Board and the Audit Committee in providing independent assessment on the adequacy, efficiency and effectiveness of the Group's internal control system. The internal audit activities of the Group are carried out according to an annual audit plan that was reviewed and approved by the Audit Committee and reported to the Board.

Internal audits were carried out in accordance with the International Standards for the Professional Practice of Internal Auditing. During FYE 31 March 2020, the business processes reviewed were Revenue and Payroll. The results of the internal audit reviews were discussed with Senior Management and subsequently, the audit findings, including the recommendations for improvement, if any, were presented to the Audit Committee. In addition, follow up reviews on previous auditable activities of Bahvest Resources Berhad were also conducted to ensure that corrective actions were implemented in a timely manner and the results of follow up reviews were also reported timely to the Audit Committee.

Total costs incurred for the outsourcing of the Internal Audit Function for FYE 31 March 2020 was RM30,000.

Other Key Elements of Internal Control Processes

An effective check and balance control environment within the Group is fundamental for ensuring a sound system of internal control. The following sets out other key elements of the Group's internal control processes established for maintaining strong internal control and governance:

1. Authorities and Responsibilities

   The Board delegates certain responsibilities to the Board's Committees with the Terms of Reference of each Committee adequately and clearly defined. An organisational structure that is aligned to the Group's business and operational requirements has been established, where key Management personnel are delegated with the responsibility to manage risks of their respective areas of responsibilities.

2. Audit Committee ("AC")

   The AC assists the Board in fulfilling its responsibilities with respect to oversight, focusing on the integrity of the Group's financial reporting process, management of governance, risk, system of internal control, external and internal audit processes as well as compliance with legal and regulatory matters. Quarterly and annual financial results are reviewed by the AC prior to being recommended to the Board for approval. The functions that the AC undertook during FYE 31 March 2020 are set out in the AC Report on pages 29 to 31.

3. Hazard Analysis Critical Control Point ("HACCP") Codex Alimentarius Certification and Food Safety is Responsibility of The Industry ("MeSTI") Certification

   The Group regularly reviews, improves on and continuously manages and controls the quality requirement of the production process and distribution of frozen fish products, in compliance with the HACCP Codex Alimentarius Certification and MeSTI Certification.

   MeSTI certification granted by Ministry of Health Malaysia, specifies requirements for food manufacturing premises to prepare and establish a Food Safety Assurance Programme in accordance with the Food Hygiene Regulation 2009 (i.e. consistently ensure process of quality products safe to consumer).

Statement On Risk Management And Internal Control
(Cont'd)

RISK MANAGEMENT PRACTICES (CONT'D)

Other Key Elements of Internal Control Processes (Cont'd)

3. Hazard Analysis Critical Control Point ("HACCP") Codex Alimentarius Certification and Food Safety is Responsibility of The Industry ("MeSTI") Certification (Cont'd)

   The Group is also in compliance with the HACCP Codex Alimentarius certification, an international certification on Food Safety Management System in accordance with the specification under the German Accreditation body Deutsche Akkreditierungsstelle ("DAkkS").

   In order to achieve the above compliances, series of risk management and internal control measures are required and have been put in place by the Group to satisfy the stringent requirements laid down by both the HACCP Codex Atramentarius Certification and MeSTI Certification.

4. Procurement

   The Board has established a Tender Committee to review contracts, tenders or other means of procurement in excess of a fixed contracting value threshold. The Tender Committee is responsible to provide governance, guidance and direction on the acquisition strategies and is assisted by the Accounts & Finance Department in the administration of the tender process. Decisions made by the Tender Committee shall be tabled to the Board for notation and/or endorsement.

Review of this statement by External Auditor

In compliance with paragraph 15.23 of ACE LR, the External Auditors have reviewed this Statement for inclusion in the FYE 31 March 2020 Annual Report, and have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the processes the Board has adopted in the review of the adequacy and integrity of the internal controls within the Group, and in material aspects, in accordance with the disclosures required by the Guidelines, nor is the Statement factually inaccurate.

Conclusion

The Chief Executive Officer/Managing Director and the Finance Manager are responsible for ensuring that the Group's risk management and internal control measures are systematically assessed and continuously upgraded to cater for changing business and operational environment. The Board has obtained assurance from the Chief Executive Officer/Managing Director and the Finance Manager that the Group's risks management and internal control systems are operating adequately and effectively.

The Board is of the view that the risk management and internal controls system are satisfactory and continue to take the appropriate and necessary measures to improve the Group's risk management and internal controls system in meeting the Group's corporate objectives.

No material losses, contingencies or uncertainties have arisen from any inadequacy or failure of the Group's internal control measures that would require a separate disclosure in this Annual Report.

This Statement on Risk Management and Internal Control is made in accordance with a resolution of the Board dated 13 August 2020.

SUSTAINABILITY STATEMENT

We are pleased to report our sustainability statement in accordance with Sustainability Reporting Guide ("SRG") issued by the Bursa Malaysia Securities Berhad ("Bursa Malaysia").

This statement describes the Group's sustainability activities covering both the key financial and non-financial for the period from 1 April 2019 to 31 March 2020. The Group has considered key sustainability matters as guided and defined by both the Global Reporting Initiative ("GRI") sustainability standards and Bursa Malaysia's SRG.

Bahvest Resources Berhad ("Bahvest" or "the Company") and its subsidiaries (collectively referred to as "the Group") recognises the importance of sustainability practices in the Group's operations. Our core products consisting live fishes, fish fry and eggs, all thrive on clean natural environment, and good environmental condition is critical to enable us produce high quality fisheries products. Our mining operation focuses on improving the economic and social factors and transform the lives of communities surrounding our mines while minimising the impact to the environment.

Sustainability Governance

The Management discusses all relevant sustainability matters, programs and activities in various management meetings. The Management sets the sustainability objectives, strategies and actions and oversees the implementation of the Group's sustainability policies, processes and approach to ensure key sustainability objectives are met. The Board of Directors are also briefed on key sustainability matters.

Materiality Assessment and Key Sustainability Matters

The Group identified key material sustainability matters through a set of parameters established from the Group's risk management processes to prioritise sustainability matters. Further information can be obtained from the Statement on Risk Management and Internal Control.

No material changes were made to our materiality sustainability matters and a detailed explanation for each sustainability areas of economic, environment and social is provided in the next section.

A. Economic

Direct economic value generated and distributed

We are steadfast in promoting local economic growth. During the financial year, additional of 56 employment opportunities was provided to cater with the increasing production activities for the supplies of ore, and most of these new hires were from the local community.

Bahvest's investment in research and development ("R&D") for aquaculture operation enable us to achieve more control on the Group's fish breeding, hatchery, rearing operations. The R&D activities include crossbreeding to decrease the mortality rate, increasing the speed of growth of fishes and improve the fish's immunity to disease. The better quality of fishes is also expected to improve in terms of taste for the consumer.

In addition, we expanded our aquaculture product offer to include crab and invested approximately RM1.1 million for the breeding and rearing infrastructure at Mile 7, Sandakan and Silam, Lahad Datu. We are confident with this investment and expansion, it will provide a competitive advantage for Bahvest to signify our market presence in Malaysia and Hong Kong.

Sustainability Statement
(Cont'd)

A. Economic

Financial implications and other risks and opportunities due to climate change

Special Environmental Impact Assessment was conducted in the year 2016 by a registered independent consultant to ensure the mining activities are in compliance with the Operational Mining Scheme approved by the Department of Mineral and Geoscience and other relevant rules and regulations. The assessment included the identification of potential risks and environmental impact for the mine as well as the surrounding areas. Mitigation measures and monitoring programmes were undertaken to ensure these identified risks were mitigated and managed. In addition, periodic environmental monitoring was conducted and reported to the local authority to ensure compliance with the environmental standards required under Department of Environment.

A risk assessment process was conducted for the aquaculture operation to identify key risk areas which may affect the sustainability of the business. Pollution, climate changes and weather risk were identified as key risk areas. The Group continuously monitoring the environmental parameters to reduce the impact of these key risks which will be explained in the next section of this statement.

Financial assistance received from government

Bahvest had claimed up to RM8.7 million of government grant from National Key Economic Area ("NKEA") Agriculture Scheme, which was granted in November 2011. The balance can only be claimed when Key Performance Indicators ("KPI") in the agreement are achieved, which includes number of grouper fries, number of metric tonnes of grouper fishes, and generated Gross National Income of approximately RM111 million. No grants claimed in FYE 31 March 2020 as the Group shifted its focus towards mining operation since FYE 31 March 2019.

Infrastructure investments and services supported

Our continuous efforts to improve the well-being of our employees, workers and contribute to society include:

i. Living accommodation and basic amenities such as canteen, clinic, entertainment and religious worship facilities.

ii. Other buildings, installations and works necessary or useful to effectively carry out the mining operation and activities were developed with care to minimise disturbance to the soil condition and strictly avoiding infringement to the tenement boundaries.

iii. Buildings and utilities such as hatchery, nursery building, potable water supply, access road, and electricity supply for aquaculture sites.

These infrastructures supported the local community businesses and indirectly enhance the economy of Sandakan and Lahad Datu.

Anti-Bribery and Anti-Corruption

Bahvest is committed to practice fairness and ethical business dealings. With the introduction of Guidelines on Adequate Procedures through Malaysian Anti-Corruption Commission ("MACC") Amendments Act 2018, we engaged an external consultant to assist in establishing Anti-Bribery and Anti-Corruption Policy and Guidelines in terms of the principles and the expected standard of behaviours from our employees and external parties. The said guidelines are to be approved and implemented in the coming financial year.

Whistleblowing Policy

We also engaged an external consultant to enhance the Group's Whistleblowing Policy in line with the requirement outlined by MACC. Our employees and any concerned stakeholders are encouraged to report any suspected misconduct or wrongdoings to the Finance Manager or Chief Executive Officer through the established reporting mechanism. This enhanced policy is to be approved and implemented in the coming financial year.

B. ENVIRONMENTAL

Effluent and waste management

Our sustainability objectives are to preserve the environment and maintain a sustainable ecosystem where we operate. We continuously identify opportunities for improvement in managing the effluent and waste generated from our mining operation activities. Our efforts include:

i. Effective tailing management

To further improve the tailing management of mining operation, four (4) vacuum filter press machines were installed in FYE 31 March 2020. Wastes from the processing plant will be redirected to the vacuum filter press machines which separate the solid and water waste. The water waste will be recycled for use at the processing plant, whereas, the solid waste will be redirected to the tailing storage facilities.

This process avoids the possibility of cyanide and other hazardous chemical seeping into the soil and nearby rivers as compared to the previous processes of chemical treatment and detoxification. Notwithstanding, existing water from the tailing storage facility will continue to be recycled into the processing plant. Forest buffers were also designed to avoid any contaminated water from breaching into the river mainstreams.

ii. Storage of chemical and diesel

The Group's mining operations require storage of diesel and chemical in a protective casing and in appropriate bunkers and enclosures to prevent spillage. These bunkers provide protective layer preventing any diesel and chemical spillages from contaminating the soil flowing to the water catchment areas and water sources. Oil sumps were also constructed to filter diesel wastes before letting the wastes flowing into the constructed drain to the tailing storage facility.

Water

We recognise that mining activities has several consequences to water mainstreams and water sources. In order not to adversely impacting the environment, we implemented several measures in our mines such as sedimentation ponds, water quality tests and retention ponds.

Our aquaculture operation requires the highest quality of ecosystem including seawater to produce better quality of fries and fishes. Seawater quality is managed and monitored, any potential contamination is investigated, and actions will be taken such as removing the fishes in the sea cages to appropriate tanks to protect the fishes.

Sendimentation Ponds

- Five (5) sendimentation ponds, earth drains and slit trap were constructed under Special EIA requirement and in accordance with Erosion and Sediment Control Plan dimension approved by Department of Irrigation and Drainage.
- To capture surface runoffs due to mine development activities and during severe weather conditions.
- Accumulated sediments and silts will be removed and transported to the tailing storage facilities.

B. ENVIRONMENTAL (CONT'D)

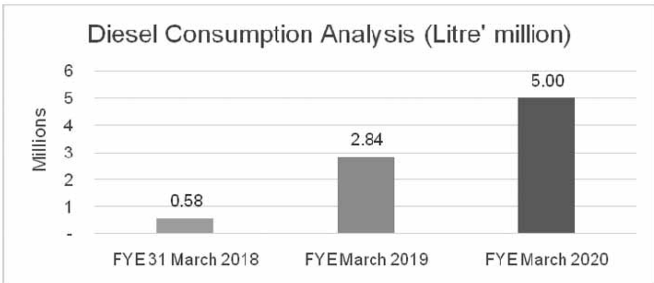
Water (Cont'd)

Water Quality Test
- Daily analysis for surface water quality at three (3) different sampling points within the tenement boundary.
- Water samples were tested for its pH level, temperature, dissolved oxygen, total dissolve solid and conductivity amongst others.
- Test results indicated Bahvest complied with the permissible limit specified by the Environmental Quality Act 1974.
- Nine (9) groundwater points were identified and measured for groundwater level.

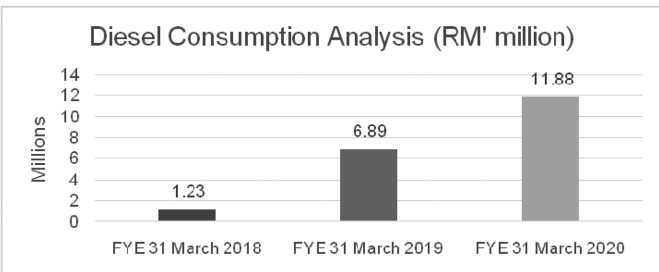
Retention ponds
- To capture rainwater and rock stream water
- These waters will be processed and recycle for use in the processing plant as well as treated for safe consumption.

Energy

The Group's mining operation at Bukit Mantri is an energy-intensive operation. Due to its remote location, supply of electricity via transmission lines is not available. Our mining operation currently relies on ten (10) units diesel generator sets, with 3 additional units of fuel-efficient generator sets which produce more electricity but consume lesser diesel for higher volume of operation to provide electricity for the entire mine area covering the processing plant, offices, accommodation areas, other equipment and facilities.



Graph1.1: Diesel Consumption Analysis by Litre' million



Graph 1.2: Diesel Consumption Analysis by RM' million

B. ENVIRONMENTAL (CONT'D)

Energy (Cont'd)

We had increased our production capacity, volume and exploration activities at the mining sites which led to an increase in diesel consumption during the year.

Compliance with environmental laws and regulations

We are pleased to highlight no incident of non-compliance with environmental laws and regulations and we have not been penalised or fined for any environmental violation in FYE 31 March 2020 (FYE 31 March 2019: NIL cases).

The Group regularly reviews any risks and potentials issues related to the environment for its aquaculture and mining operations. Actions and measures are taken to ensure all environmental factors are within the regulatory requirements, which include monitoring the environmental parameters for both aquaculture and mining operations.

As the drilling and mining of hard rock (i.e. sulphide and oxide ore) started during the financial year, we are aware these activities can cause excessive noise to the environment. Ambient Noise Quality level monitoring were regularly conducted by a registered consultant to assess the noise level throughout the mine area and ensure noise levels are kept within the maximum permissible sound level. The assessment result indicated noise levels detected at all monitoring stations were below the recommended limit of Schedule 2 of the Planning Guidelines for Environmental Noise Limits and Control published by the Department of Environment

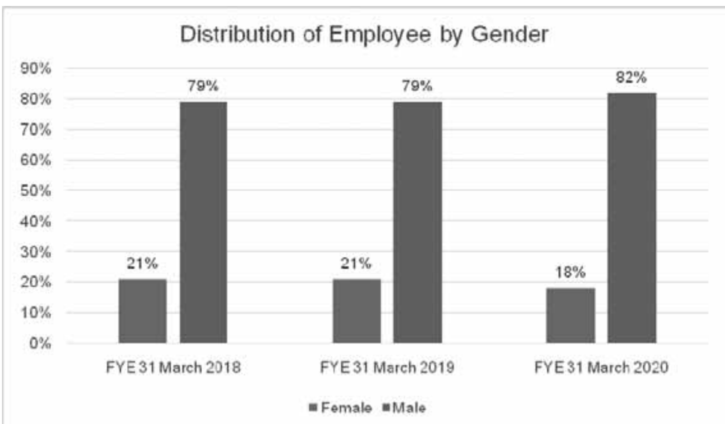
Among measures implemented to manage noise level and to protect employee's hearing include:

- Regular preventive maintenance of vehicles and machinery used;
- All operation employees undergo audiometric testing;
- Operation activities are carried out within the allowable working hours;
- Generator sets storage area are stored at enclosed area;
- Mandatory use of ear cups / covers at certain locations in the mine; and
- Provide training and awareness in relation to noise monitoring to the workers.

C. SOCIAL

Diversity and equal opportunity

The Group encourages employee diversity and we promote equal employment opportunities for advancement in the Group. In FYE 31 March 2020, Male employee increased almost 4% representing 82% of the employee gender profile. The gender diversity plan to increase female participants remains a challenge considering both Group's activities in mining and aquaculture are located in remote areas in Sabah.

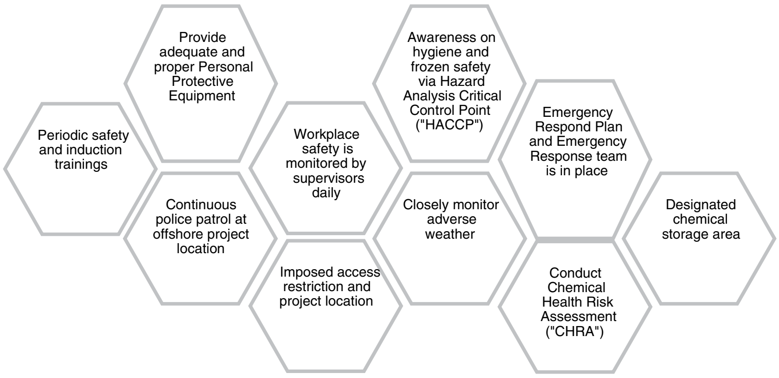


Graph 2: Distribution of Employee by Gender

C. SOCIAL (CONT'D)

Occupational safety, health and environment

The Group considers occupational safety, health and environment ("SHE") seriously as the safety and wellbeing of Bahvest's employees are the highest priority in ensuring they can work in safe and conducive environment. Various programmes and initiatives were established to ensure employees' safety at both the aquaculture and mining operations.



There were no Lost Time Incident ("LTI") recorded in FYE 31 March 2020 (2019: NIL). All activities were conducted in accordance with stringent safety and health procedures preventing any accidents or adverse incidents.

Compliance with social laws and regulations

We are pleased to highlight that the Group did not violate any safety and health laws and regulations and has not been penalised or fined for any safety and health violation in FYE 31 March 2020 (2019: NIL).

The Group regularly reviews any risks and potential issues related to safety and health for its aquaculture and mining operations through monthly progress meetings and periodic SHE Committee meetings.

Corporate social responsibilities

The Group established its corporate social responsibilities ("CSR") policy and made available on its website at http://bahvest.com.my/corp/csr.html.

Bahvest is cognisant of the responsibility to the well being of the local communities where we operate. We undertook various CSR activities in efforts to create positive impact to the wider society.

- In March 2019 and June 2019, fire has destroyed Sandakan villages and leaving at least 60 families homeless. Bahvest donated approximately RM110,000 to individual victim families with the objective to elevate the hardship faced by these poor families.
- As a gesture of goodwill, we donated about RM92,000 to the community around Sandakan and Tawau for the Hari Raya Aildifitri celebration.
- On top of that, we contributed approximately of RM80,000 for Kampung Balung community to renovate and extend a mosque to demonstrate the spirit of togetherness towards the society we serve.
- We firmly believe that our youth are the growth driver to Malaysia's future economy. During the year, the Group sponsored a total of RM79,000 tuition fees for three (3) university students who studied in various courses and education institutions.
- In addition, we donated almost RM94,000 to Sekolah Kebangsaan Ranggu, Tawau construct a shelter area as activities assembly corner.

C. SOCIAL (CONT'D)

Corporate social responsibilities

This financial year, we continue our collaboration with Sandakan Polytechnic in Sabah by offering internship to an aquaculture student (2019: 4 interns). The intern was posted to several departments to experience actual working experience in Bahvest. This experience exposed the student with the actual working environment, the complexity involved and to relate his practical experience with theories learned during his study.

In the future, the Group will consider extending the internship programme to our mining operation. The Group will work together with the polytechnic and selected universities offering aquaculture, mining and geology courses to identify specific trainings and experience required and matching to the relevant processes and activities in the Group. The Group will provide internship opportunities and scholarship for the students from these educational institution as well as identifying potential employment opportunities in the future.

ADDITIONAL COMPLIANCE INFORMATION

1. OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES

1.1 The movement of ESOS Options during the financial ended 31 March 2020 as follows:

			Number of options over ordinary shares of RM0.10 each		
Date of offer	**Exercise price**	**Exercise price after bonus issue**	**At 1.4.2019**	**Exercised**	**At 31.3.2020**
15.01.2013	RM0.70	RM0.35	49,989,000	(1,271,200)	48,717,800
25.08.2016	RM1.00	RM0.50	200,000	–	200,000
11.03.2017	RM0.75	RM0.37	1,824,600	–	1,824,600
20.09.2017	RM0.70	RM0.35	250,000	–	250,000
02.07.2018	RM1.05	RM0.52	2,490,060	(550,000)	1,940,060
			54,753,660	(1,821,200)	52,932,460

Further details of the options granted to directors and senior management during the financial year ended 31 March 2020 and since commencement of the ESOS are as follow:

	Aggregate maximum allocation in percentage to Directors and senior management	Actual percentage granted to Directors & Senior Management
Since commencement of the ESOS and during the financial year ended 31 March 2020	85% of ordinary shares of RM0.10 each available under the ESOS	70% of ordinary shares of RM0.10 each available under the ESOS

Further breakdown of the options granted to Executive Director and Non-Executive Directors since the commencement of the ESOS and during the financial year ended 31 March 2020 are as follow:

	Number of options over ordinary shares of RM0.10 each			
	Since Commencement	**Bonus issued**	**Exercised as at the Financial Year Ended 31 March 2020**	**Balance**
Dato' Sri Dr. Md Kamal Bin Bilal	2,500,000	–	(2,500,000)	–
Datuk Lo Fui Ming	10,500,000	–	(10,500,000)	–
Lo Teck Yong	10,500,000	5,376,000	(5,229,500)	10,646,500
Akinori Hotani	10,500,000	1,751,300	(9,692,600)	2,558,700

2. UTILISATION OF PROCEEDS

There were no proceeds raised from any corporate proposals during the financial year ended 31 March 2020.

Additional Compliance Information
(Cont'd)

3. AUDIT AND NON-AUDIT FEES

The audit and non-audit fee paid or payable to the External Auditors, PKF Malaysia for the financial year ended 31 March 2020 as follows:

Company	Audit Fees (RM)	Non-Audit Fees (RM)
Bahvest Resources Berhad ("BAHVEST")	100,000	5,000
BAHVEST's Subsidiaries	117,000	–
Total	217,000	5,000

4. RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE

There are no other recurrent related party transaction of a revenue or trading nature which had been entered by the Group during the financial year ended 31 March 2020, except for transactions disclosed in the financial statements on pages 118 to 122 of this Annual Report.

5. CONTRACT RELATING TO LOAN BY THE COMPANY

There was no contract relating to loan by the Company.

6. MATERIAL CONTRACT

There was no material contract entered into by the Company and / or its subsidiary during the financial year ended 31 March 2020.

FINANCIAL STATEMENTS

DIRECTORS' REPORT

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2020.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding.

The principal activities of the subsidiaries are set out in Note 17 to the financial statements.

RESULTS

	Group RM	Company RM
Loss for the financial year attributable to:		
Owners of the Company	180,981,239	33,494,936

RESERVES AND PROVISIONS

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

DIVIDENDS

No dividend has been paid, declared or proposed since the end of the previous financial year. The Directors do not recommend any dividends for the current financial year ended 31 March 2020.

DIRECTORS

The Directors who have held office during the financial year and up to the date of this report are:

Tan Sri Dato' Nik Hashim bin Nik Ab. Rahman
Dato' Sri Dr. Md Kamal Bin Bilal
Datuk Lo Fui Ming
Akinori Hotani
Lo Teck Yong
Sim Kay Wah

Pursuant to Section 253 of the Companies Act 2016, the Directors of subsidiary companies during the financial year and up to date of this report are as follows:

Datuk Lo Fui Ming
Akinori Hotani
Chong Khing Chung
Chong Tzu Khen
Lo Teck Yong

DIRECTORS' INTERESTS IN SHARES

The holdings and deemed holdings in the ordinary shares, options over ordinary shares and warrants of the Company and its related corporations (other than wholly-owned subsidiaries) of those who were Directors at the end of the financial year, as recorded in the Register of Directors' Shareholding kept under Section 59 of the Companies Act 2016 ("CA2016") are as follows:

	Number of ordinary shares			
Direct interest:	**At 1.4.2019**	**Bought**	**Sold**	**At 31.3.2020**
Dato' Sri Dr. Md Kamal Bin Bilal	11,044,400	1,000	(1,684,000)	9,361,400
Datuk Lo Fui Ming	188,584,290	3,248,000	(3,666,000)	188,166,290
Akinori Hotani	–	331,900	(331,900)	–
Lo Teck Yong	11,386,160	–	(900,000)	10,486,160
Indirect interest:				
Indirect interest of Datuk Lo Fui Ming in the Company by virtue of shareholding of his child	88,000	–	–	88,000

	Number of options over ordinary shares			
Direct interest:	**At 1.4.2019**	**Granted**	**Exercised**	**At 31.3.2020**
Akinori Hotani	3,216,900	–	(658,200)	2,558,700
Lo Teck Yong	10,646,500	–	–	10,646,500
Indirect interest:				
Indirect interest of Datuk Lo Fui Ming in the Company by virtue of shareholding of his child	10,152,000	–	–	10,152,000

	Number of warrants 2017/2024 issued pursuant to the Deed Poll dated 2 August 2017 exercisable at any time from 21 August 2017 to 20 August 2024			
Direct interest:	**At 1.4.2019**	**Bought**	**Sold**	**At 31.3.2020**
Dato' Sri Dr. Md Kamal Bin Bilal	3,129,460	–	–	3,129,460
Datuk Lo Fui Ming	94,080,394	50,000	(2,450,000)	91,680,394
Lo Teck Yong	6,409,330	–	–	6,409,330
Indirect interest:				
Indirect interest of Datuk Lo Fui Ming in the Company by virtue of his child	70,000	–	–	70,000

By virtue of Directors' interests in the ordinary shares of the Company, they are also deemed to have interest in ordinary shares of the subsidiary companies to the extent the Company has an interest.

None of the other Directors holding office at the end of the financial year had any interest in the ordinary shares, options over ordinary shares and warrants of the Company and its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as disclosed in the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, except as disclosed in Note 29 to the financial statements.

There were no arrangements during and at the end of the financial year, which had the object of enabling the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate apart from the issue of the Employees Share Options Scheme.

DIRECTORS' REMUNERATION

The remuneration paid to or receivable by the Directors of the Group and Company during the financial year is amounted to RM1,807,735 and RM286,000 respectively.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

There was no indemnity given to or liability insurance effected for any Director, officer or auditor of the Company during the financial year.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 17 to the financial statements.

ISSUES OF SHARES AND DEBENTURES

During the financial year, the following ordinary shares were issued by the Company:

Number of ordinary shares	Terms of issue	Purpose of issue
1,821,200	Cash	Exercise of Employees Share Options Scheme ("ESOS")

The new ordinary shares issued during the financial year rank pari passu in all respects with the existing ordinary shares of the Company. During the financial year, the Company did not issue any debentures.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year apart from the issue of options pursuant to the ESOS.

The salient features of the ESOS scheme are, inter alia, as follows:

(i) Eligible Directors or employees of the Group are those who have fulfilled the following conditions:

- attained the age of Eighteen (18) years on the date of offer;
- employed for a continuous period of at least One (1) year (which shall include any probation period) by the Company and/or a subsidiary within the Group and his employment as an eligible participant must have been confirmed on the date of offer, unless he was transferred to a subsidiary within the Group, in which case he must have been employed for a continuous period of at least One (1) year in that subsidiary incorporated in Malaysia;
- if the employee or Director is employed by a company incorporated in Malaysia which is acquired, and becomes a subsidiary of the Company upon such acquisition during the duration of the ESOS, the employee or Director must have completed service for a continuous period of at least One (1) year in that subsidiary following the date that such company becomes or is deemed to be a subsidiary of the Group; and
- if the employee or Director, whether Malaysian citizen or non-Malaysian citizen, is serving the Company or a subsidiary within the Group on a full-time basis and whose contribution is vital to such companies and who on the date of offer is employed under a contract for service for a term of not less than Three (3) years (including any period of employment which the person has already served), the employee or Director is eligible to participate in the ESOS, subject to the provisions of the By-Laws provided always that employees of the subsidiaries of the Company, which are dormant, shall not be eligible to participate in the ESOS.

(ii) The selection of any eligible participants for participation in the ESOS and maximum number of shares under the ESOS exercisable by an option holder in a particular year shall be at the discretion of the ESOS committee and the decision of the ESOS committee shall be final and binding.

(iii) No eligible participant shall participate at any time in more than one ESOS implemented by any company within the Group.

(iv) Not more than 10% of the shares available under the ESOS shall be allocated to any individual eligible participant, who either singly or collectively through persons connected with him holds 20% or more of the issued and paid-up share capital of the Company.

(v) Not more than 85% of the new shares of the Company available under the ESOS shall be allocated in aggregate to the Directors and senior management of the Company and its subsidiaries, which are not dormant.

(vi) The aggregate number of shares to be issued under the ESOS shall not exceed 30% of the total issued and paid-up share capital of the Company at any point in time during the existence of the ESOS.

(vii) The ESOS shall be valid for a duration of Five (5) years from 15 January 2013 (the date of full compliance with all relevant requirements of the Listing Requirements), and this shall be extended for a further Five (5) years, subject to an aggregate of Ten (10) years from the effective date of the implementation of the ESOS under the approval from the Board of Directors.

(viii) The price payable for the exercise of an option under the ESOS shall be determined by the ESOS committee at its discretion based on the Five (5)-day weighted average market price of the underlying shares immediately prior to the date of offer with a discount of not more than 10%, if deemed appropriate.

OPTIONS GRANTED OVER UNISSUED SHARES (CONT'D)

(ix) Any new shares to be allotted and issued upon exercise of the ESOS granted will, upon allotment, issuance and full payment, rank pari passu in all respects with the then existing issued and paid-up share capital of the Company except that the new shares so allotted and issued will not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid, the entitlement date of which precedes the date of issuance of such new shares.

(x) An eligible Director of the Group who is a non-executive Director must not sell, transfer or assign any new shares obtained through the exercise of the ESOS options granted to him pursuant to the ESOS within One (1) year from the date of grant of such ESOS options.

The options offered to take up unissued ordinary shares and the exercise prices are as follows:

			Number of options over ordinary shares			
Date of offer	Exercise price before bonus issue	Exercise price after bonus issue	At 1.4.2019	Granted	Exercised	At 31.3.2020
15 January 2013	RM0.70	RM0.35	49,989,000	–	(1,271,200)	48,717,800
25 August 2016	RM1.00	RM0.50	200,000	–	–	200,000
11 March 2017	RM0.75	RM0.37	1,824,600	–	–	1,824,600
20 September 2017	RM0.70	RM0.35	250,000	–	–	250,000
2 July 2018	RM1.05	RM0.52	2,490,060	–	(550,000)	1,940,060
			54,753,660	–	(1,821,200)	52,932,460

Details on options granted to Directors are disclosed in the section on Directors' interests in shares in this report.

WARRANTS 2017/2024

By virtue of a Deed Poll executed on 2 August 2017 for the 299,997,878 issued in conjunction with the Bonus Issue of free warrants allotted, each Warrant 2017/2024 entitles the registered holder the right at any time during the exercise period from 21 August 2017 to 20 August 2024 to subscribe for One (1) new ordinary share in the Company at an exercise price of RM0.87 per share.

The salient features of the Warrants 2017/2024 are as follows:

(i) Entitles its registered holder for one (1) free Warrant for every two (2) existing ordinary shares held.

(ii) Each Warrant entitles the registered holder to subscribe for one (1) new ordinary share at the exercise price at any time during the exercise period.

(iii) The warrants may be exercised at any time on or before the expiry date falling Seven (7) years (2017/2024) from the date of issue of the warrants on 21 August 2017. Warrants not exercised at the expiry of the exercise period will cease to be valid for any purpose and will be deemed to have lapsed.

(iv) The warrants shall as between the warrant holders rank pari passu and rateably in all aspects amongst themselves.

(v) The new shares to be issued arising from the exercise of the exercise rights represented by the warrants, shall upon allotment and issuance rank equally in all respects with the existing ordinary shares, save and except that the new shares will not be entitled to any dividend, right, allotment and/or any other forms of distribution where the entitlement date of such dividend, right, allotment and/or any other forms of distribution precedes the relevant date of allotment and issuance of the new shares.

WARRANTS 2017/2024 (CONT'D)

In accordance with the provisions under the Deed Poll - Warrants 2017/2024 and consequential to the Bonus Issue, an additional 299,997,878 Warrants 2017/2024 were listed and quoted on the ACE Market of Bursa Malaysia Securities Berhad on 11 December 2018. The exercise price for the Warrants 2017/2024 was revised from RM0.87 to RM0.43.

	Number of warrants			
	At 1.4.2019	Exercised	Lapsed	At 31.3.2020
Warrants 2017/2024	599,995,756	–	–	599,995,756

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

(i) all known bad debts had been written off and adequate allowance had been made for doubtful debts; and

(ii) all current assets have been stated at the lower of cost and net realisable value.

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

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

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

(iii) 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; or

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

As at the date of this report, there does not exist:

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

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

No contingent liability or other liability of the Group and of the Company has become enforceable, or is likely to become enforceable within the period of twelve (12) months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 31 March 2020 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of the financial year and the date of this report.

SIGNIFICANT EVENTS

Details of significant events are disclosed in Note 37 to the financial statements.

SUBSEQUENT EVENTS

Details of subsequent events are disclosed in Note 38 to the financial statements.

AUDITORS

The auditors, PKF, have indicated their willingness to continue in office.

During the financial year, the total amount of fees paid to or receivable by the auditors as remuneration for their services as auditors of the Group and the Company amounted to RM217,000 and RM100,000 respectively.

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

____
DATUK LO FUI MING
Director

____
LO TECK YONG
Director

Sandakan

Dated 27 August 2020

STATEMENT BY DIRECTORS

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

In the opinion of the Directors, the accompanying financial statements set out on pages 58 to 134 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 2020 and of their financial performance and cash flows for the financial year ended on that date.

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

____
DATUK LO FUI MING
Director

____
LO TECK YONG
Director

Sandakan

Dated 27 August 2020

STATUTORY DECLARATION

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

I, CHONG TZU KHEN, being the Officer primarily responsible for the financial management of BAHVEST RESOURCES BERHAD, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements set out on pages 58 to 134 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
the abovenamed CHONG TZU KHEN)
at Sandakan in the state of Sabah)
on 27 August 2020)

____
CHONG TZU KHEN

Before me,

SALBIAH BINTI SULAIMAN (S-069)
Commissioner for Oaths
Ground Floor, Lot 6, Block 25
Bandar Indah, 90000 Sandakan,
Sabah.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BAHVEST RESOURCES BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Qualified Opinion

We have audited the financial statements of BAHVEST RESOURCES BERHAD, which comprise the Statements of Financial Position as at 31 March 2020 of the Group and of the Company, and the Statements of Profit or Loss and Other Comprehensive Income, Statements of Changes in Equity and Statements of Cash Flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 58 to 134.

In our opinion, except for the possible effects of the matter described in Basis for Qualified Opinion section of our report, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2020, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Qualified Opinion

Due to the low levels of Group's fishery livestocks harvested for sales during the year ended 31 March 2020 and up to the date of our auditor's report, and considering that the fishery livestocks are kept in netpens for which over 90% are at such depth that an effective stock count cannot be performed, we were unable to satisfy ourselves by alternative means concerning the quantities of fishery livestocks. As these procedures also directly supports some of the other key variables in the fair value model, such as, growth and mortality rates, we were, therefore, unable to obtain sufficient appropriate audit evidence over both the existence and valuation of fishery livestocks as at 31 March 2020 of RM1,881,262 and the resulting fair value loss of RM161,052,072 for the financial year ended 31 March 2020.

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

Independence and Other Ethical Responsibilities

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

KEY AUDIT MATTERS

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

Independent Auditors' Report
(Cont'd)

KEY AUDIT MATTERS (CONT'D)

Area of focus	How our audit addressed the key audit matter
Going concern The financial statements have been prepared on a going concern basis. Certain events and conditions have been identified that may cast significant doubt on the Group's ability to continue as a going concern, relating to the net loss of RM180,981,239 incurred by the Group; net current liabilities of RM10,769,661 as at 31 March 2020; and the protests and social unrest in Hong Kong and the outbreak of the coronavirus disease 2019 that had adversely impacted the Group's revenue and operating cash flows. The Directors have assessed these events and conditions and concluded that they do no give rise to a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern as the Group has changed its focus from aquaculture to mining operations, which is now the core business of the Group, and is confident that the gold mining operations will contribute further towards future earnings as demonstrated by the improvements in profit before taxation of the mining operations and improvement in the overall cash flows from operating activities as disclosed in Note 37.	Obtained the cash flow forecast prepared by management which demonstrates the Group's ability to meet its liabilities as and when they fall due for the period up to 31 March 2021, i.e. 12 months from the date of these financial statements. Reviewed and challenged the forecast relating to the appropriateness and reasonableness of the inputs and assumptions used.
Reliance on management's experts The Group engaged independent valuer to value its property, plant and equipment to determine the recoverable amount of certain significant property, plant and equipment that are exhibiting impairment indicators due to the significant losses suffered by the Group's aquaculture operations. This independent valuer used industry/market accepted valuation methodology and approaches to determine the fair value of the underlying asset. Due to the measurement of fair value being inherently judgemental and the carrying value of these assets being material to the Group, we have considered this to be a key audit matter.	We have obtained the valuation reports prepared by the independent valuer engaged by the Group. We have reviewed these reports for appropriateness of the methodology used and the reasonableness of the assumptions used. We also assessed the competency, capabilities and objectivity of these independent valuers engaged by the Group.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Directors 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.

Independent Auditors' Report
(Cont'd)

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON (CONT'D)

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualified Opinion section above, we were unable to obtain sufficient appropriate audit evidence about the carrying amount of fishery livestocks as at 31 March 2020 of RM1,881,262 and the resulting fair value loss of RM161,052,072 for the financial year ended 31 March 2020. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

The Directors of the Company are responsible for the preparation of 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.

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:

(i) 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.

(ii) 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.

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

(iv) 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.

Independent Auditors' Report
(Cont'd)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

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: (Cont'd)

(v) 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.

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

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that in our opinion, we have not obtained all the information and explanations that we required

OTHER MATTER

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

PKF
AF 0911
CHARTERED ACCOUNTANTS

DIVAHARAN SIVARAMAN KANNAN
03446/08/2021 J
CHARTERED ACCOUNTANT

Kota Kinabalu

Dated 27 August 2020

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

		Group		Company	
			Restated		Restated
	Note	2020 RM	2019 RM	2020 RM	2019 RM
Revenue	5	95,130,622	65,051,720	–	–
Cost of sales		(64,497,352)	(33,139,488)	–	–
Gross profit		30,633,270	31,912,232	–	–
Other operating income	6	1,893,958	2,789,308	127,862	–
Fair value loss on biological assets	18	(161,052,072)	(10,960,447)	–	–
Impairment on investments in subsidiary companies	17	–	–	(2,753,133)	–
Impairment on financial assets	7	(21,271,196)	(126,415)	(9,836,661)	(7,182,925)
Impairment on plant and equipment	15	(4,392,263)	–	–	–
Other operating expenses	8	(33,192,045)	(5,767,879)	(20,123,668)	(3,224,326)
Selling and distribution expenses		(1,723,702)	(6,154,892)	–	–
Administrative expenses		(6,766,284)	(5,408,763)	(909,336)	(1,238,502)
Fair value adjustment on amount due from subsidiary company	20	–	–	–	3,309,829
(Loss)/Profit from operations	11	(195,870,334)	6,283,144	(33,494,936)	(8,335,924)
Finance costs	12	(1,672,635)	(1,902,518)	–	–
(Loss)/Profit before taxation		(197,542,969)	4,380,626	(33,494,936)	(8,335,924)
Income tax expense	13	16,561,730	1,320,443	–	–
Total comprehensive (loss)/income for the financial year		(180,981,239)	5,701,069	(33,494,936)	(8,335,924)
(Loss)/Profit attributable to owners of the Company		(180,981,239)	5,701,069	(33,494,936)	(8,335,924)
Total comprehensive (loss)/income attributable to owners of the Company		(180,981,239)	5,701,069	(33,494,936)	(8,335,924)
(Loss)/Earnings per share attributable to owners of the Company (sen per share)					
Basic	14	(14.78)	0.72		
Diluted	14	(14.78)	0.39		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2020

ASSETS	Note	Group 2020 RM	Group 2019 RM	Company 2020 RM	Company 2019 RM
Non-current assets					
Property, plant and equipment	15	71,289,538	67,419,709	5,818	1,183
Intangible assets	16	72,758,555	92,905,593	72,642,009	92,765,674
Investments in subsidiary companies	17	–	–	5,051,034	7,804,167
Biological assets	18	53,258	651,876	–	–
		144,101,351	160,977,178	77,698,861	100,571,024
Current assets					
Biological assets	18	2,374,565	156,459,576	–	–
Inventories	19	3,443,153	2,538,384	–	–
Trade and other receivables	20	4,231,573	27,350,149	21,500	9,863,529
Tax recoverable		1,341,490	85,579	2,724	2,944
Cash and bank balances	21	9,143,479	11,293,483	3,283	488,867
		20,534,260	197,727,171	27,507	10,355,340
TOTAL ASSETS		164,635,611	358,704,349	77,726,368	110,926,364
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital and premium	22	284,313,555	283,582,635	284,313,555	283,582,635
Other reserves	23	10,814,857	10,814,857	10,814,857	10,814,857
(Accumulated losses)/ Retained profits	24	(175,252,036)	5,729,203	(222,459,403)	(188,964,467)
TOTAL EQUITY		119,876,376	300,126,695	72,669,009	105,433,025
Non-current liabilities					
Loans and borrowings	25	11,141,819	7,020,226	–	–
Deferred income	26	2,262,044	3,137,674	–	–
Deferred tax liabilities	27	51,451	22,300,009	–	–
		13,455,314	32,457,909	–	–
Current liabilities					
Loans and borrowings	25	11,009,981	14,563,735	–	–
Trade and other payables	28	20,293,940	9,475,761	5,057,359	5,493,339
Taxation		–	2,080,249	–	–
		31,303,921	26,119,745	5,057,359	5,493,339
TOTAL LIABILITIES		44,759,235	58,577,654	5,057,359	5,493,339
TOTAL EQUITY AND LIABILITIES		164,635,611	358,704,349	77,726,368	110,926,364

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

Group	Note	← Attributable to owners of the Company → ← Non-distributable → Share capital RM	Share premium RM	Other reserves RM	Distributable Retained profits/ (Accumulated losses) RM	Total equity RM
At 1 April 2018		98,985,252	179,887,797	10,814,857	28,134	289,716,040
Total comprehensive income for the financial year		–	–	–	5,701,069	5,701,069
Transactions with owners of the Company						
- Share options exercised	22	4,709,586	–	–	–	4,709,586
- Issuance of ordinary shares from bonus issue	22	61,073,833	(61,073,833)	–	–	–
- Transition to no par value regime under Companies Act 2016 in Malaysia **	22	118,813,964	(118,813,964)	–	–	–
Total transactions with owners of the Company		184,597,383	(179,887,797)	–	–	4,709,586
At 31 March 2019		283,582,635	–	10,814,857	5,729,203	300,126,695
Total comprehensive loss for the financial year		–	–	–	(180,981,239)	(180,981,239)
Transactions with owners of the Company						
- Share options exercised	22	730,920	–	–	–	730,920
Total transactions with owners of the Company		730,920	–	–	–	730,920
At 31 March 2020		284,313,555	–	10,814,857	(175,252,036)	119,876,376

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements Of Changes In Equity
(Cont'd)

Company	Note	Share capital RM	Share premium RM	Other reserves RM	Accumulated losses RM	Total equity RM
		← Attributable to owners of the Company →				
		← Non-distributable →			Distributable	
At 1 April 2018		98,985,252	179,887,797	10,814,857	(180,628,543)	109,059,363
Total comprehensive loss for the financial year		–	–	–	(8,335,924)	(8,335,924)
Transactions with owners of the Company						
- Share options exercised	22	4,709,586	–	–	–	4,709,586
- Issuance of ordinary shares from bonus issue	22	61,073,833	(61,073,833)	–	–	–
- Transition to no par value regime under Companies Act 2016 in Malaysia **	22	118,813,964	(118,813,964)	–	–	–
Total transactions with owners of the Company		184,597,383	(179,887,797)	–	–	4,709,586
At 31 March 2019		283,582,635	–	10,814,857	(188,964,467)	105,433,025
Total comprehensive loss for the financial year		–	–	–	(33,494,936)	(33,494,936)
Transactions with owners of the Company						
- Share options exercised	22	730,920	–	–	–	730,920
Total transactions with owners of the Company		730,920	–	–	–	730,920
At 31 March 2020		284,313,555	–	10,814,857	(222,459,403)	72,669,609

** The Companies Act 2016 ("the Act") which came into operation on 31 January 2017, abolished the concept of authorised share capital and par value of share capital. Consequently, any amount standing to the credit of the share premium account of RM118,813,964 becomes part of the Group's share capital pursuant to the transitional provisions set out in Section 618(2) of the Act. There is no impact on the numbers of ordinary shares in issue or the relative entitlement of any of the members as a result of this transition.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020

		Group		Company	
		2020	2019	2020	2019
Cash flows from operating activities	Note	RM	RM	RM	RM
(Loss)/Profit before taxation		(197,542,969)	4,380,626	(33,494,936)	(8,335,924)
Adjustments for:					
Amortisation of broodstocks		405,203	390,254	–	–
Amortisation of government grant		(875,630)	(875,630)	–	–
Amortisation of mineral rights		20,147,038	3,228,071	20,123,665	3,224,326
Depreciation of property, plant and equipment		12,023,382	9,610,709	422	750
Fair value adjustment on amount due from subsidiary company		–	–	–	(3,309,829)
Fair value loss on biological assets		161,052,072	10,960,447	–	–
Fatalities charge on broodstocks		331,010	10,738	–	–
Fatalities charge on fishfry		11,739,600	2,137,800	–	–
Loss/(Gain) on disposal of property, plant and equipment		4,500	(5,570)	–	–
Impairment on investments in subsidiary companies		–	–	2,753,133	–
Impairment on broodstocks		51,082	–	–	–
Impairment on financial assets		21,271,196	126,415	9,836,661	7,182,925
Impairment on property, plant and equipment		4,392,263	–	–	–
Impairment of slow-moving inventories		480,831	–	–	–
Interest expenses		1,672,635	1,902,518	–	–
Interest income		(112,847)	(1,334)	–	–
Prepayment written off		31,567	–	–	–
Property, plant and equipment written off		37,281	1,016	3	–
Unrealised foreign exchange gain		–	(280,343)	–	–
Unrealised foreign exchange loss		5,590	361,411	–	–
Operating profit/(loss) before working capital changes		35,113,804	31,947,128	(781,052)	(1,237,752)
Change in biological assets		(18,895,338)	(13,773,926)	–	–
Change in receivables		1,812,885	(1,251,087)	5,368	(8,070,211)
Change in inventories		(1,385,600)	(1,179,611)	–	–
Change in payables		10,972,105	1,779,804	(435,980)	4,812,924
Cash from/(used in) operations		27,617,856	17,522,308	(1,211,664)	(4,495,039)
Income tax paid		(9,108,524)	(35,118)	(1,316)	(1,408)
Income tax refunded		85,536	76,877	1,536	1,440
Interest paid		(1,672,635)	(1,902,518)	–	–
Interest received		112,847	1,334	–	–
Net cash from/(used in) operating activities		17,035,080	15,662,883	(1,211,444)	(4,495,007)

(forward)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements Of Cash Flows
(Cont'd)

		Group		Company	
		2020	2019	2020	2019
Cash flows from investing activities	**Note**	**RM**	**RM**	**RM**	**RM**
Acquisition of property, plant and equipment*		(9,825,208)	(12,068,412)	(5,060)	–
Fixed deposits pledged with a licensed bank		(100,000)	(405,000)	–	–
Proceeds from disposal of property, plant and equipment		80,000	20,000	–	–
Proceeds from disposal of assets held for sale		–	1,505,646	–	–
Net cash used in investing activities		(9,845,208)	(10,947,766)	(5,060)	–
		7,189,872	4,715,117	(1,216,504)	(4,495,007)
Cash flows from financing activities					
Proceeds from exercise of employees share options		730,920	4,709,586	730,920	4,709,586
Repayment of hire purchase payables		(4,430,753)	(2,604,073)	–	––
Repayment of lease liabilities		(17,535)	–		
Repayment of revolving credit		(500,000)	(500,000)	–	–
Repayment of term loan		(5,031,620)	(217,109)	–	–
Net cash (used in)/from financing activities		(9,248,988)	1,388,404	730,920	4,709,586
Net (decrease)/increase in cash and cash equivalents		(2,059,116)	6,103,521	(485,584)	214,579
Cash and cash equivalents at beginning of financial year		3,631,839	(2,471,682)	488,867	274,288
Cash and cash equivalents at end of financial year	21	1,572,723	3,631,839	3,283	488,867

Non-cash transactions

* Acquisition of property, plant and equipment

During the financial year, the Group and the Company acquired property, plant and equipment with an aggregate cost of RM19,602,667 and RM5,060 (2019: RM14,849,743 and RMNil) of which RM9,777,459 and RMNil (2019: RM2,781,331 and RMNil) were acquired by means of leases. Cash payments of RM9,825,208 and RM5,060 (2019: RM12,068,412 and RMNil) were made to acquire property, plant and equipment.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements Of Cash Flows
(Cont'd)

Reconciliation of liabilities arising from financing activities

Group

2020	**1 April RM**	**Effect of adoption of MFRS 16 RM**	**Cash flows RM**	**Non-cash acquisition RM**	**31 March RM**
Hire purchase payables	9,982,697	–	(4,430,753)	9,676,945	15,228,889
Revolving credit	500,000	–	(500,000)	–	–
Term loan	5,031,620	–	(5,031,620)	–	–
Lease liabilities	–	961,176	(17,535)	100,514	1,044,155
	15,514,317	961,176	(9,979,908)	9,777,459	16,273,044

2019	**1 April RM**	**Cash flows RM**	**Non-cash acquisition RM**	**31 March RM**
Hire purchase payables	9,805,439	(2,604,073)	2,781,331	9,982,697
Revolving credit	1,000,000	(500,000)	–	500,000
Term loan	5,248,729	(217,109)	–	5,031,620
	16,054,168	(3,321,182)	2,781,331	15,514,317

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1. GENERAL INFORMATION

The Company is a public limited liability company that is domiciled and incorporated in Malaysia, and is listed on the ACE Market of Bursa Malaysia Securities Berhad. The principal activity of the Company is investment holding. The principal activities of the subsidiaries are set out in Note 17 to the financial statements.

The registered office and principal place of business of the Company are located at 802, 8th Floor, Block C, Kelana Square, 17 Jalan SS 7/26, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia and Lot 4, 3rd Floor, Block E, Bandar Nam Tung, Jalan Leila, 90000 Sandakan, Sabah, Malaysia respectively.

These financial statements were authorised for issue by the Directors in accordance with a resolution of the Board of Directors dated 27 August 2020.

2. BASIS OF PREPARATION

The significant accounting policies adopted by the Group and the Company are consistent with those adopted in previous financial year unless otherwise stated.

The financial statements of the Group and of the Company are prepared on the historical cost convention, other than as disclosed in the notes to the financial statements, and in accordance with the Malaysian Financial Reporting Standards ("MFRS") issued by Malaysian Accounting Standards Board, International Financial Reporting Standards ("IFRSs") and the requirements of the Companies Act 2016 in Malaysia.

The financial statements are prepared in Ringgit Malaysia (RM) which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) Adoption of new and revised MFRS

The following amended Standards and interpretation have been adopted in the current year. Unless otherwise disclosed in Note 2(c), their adoption has had no material impact on the amounts reported in these financial statements.

The main effect of the adoption of the above is summarised below:

(i) MFRS 16 Leases

Under MFRS 16 a lessee recognises a right-of-use asset and a lease liability. The right-of-use asset is treated similarly to other non-financial assets and depreciated accordingly and the liability accrues interest. This will typically produce a front-loaded expense profile (whereas operating leases under MFRS 117 would typically have had straight-line expenses) as an assumed linear depreciation of the right-of-use asset and the decreasing interest on the liability will lead to an overall decrease of expense over the reporting period.

The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the lessee shall use their incremental borrowing rate for classification and measurement of financial assets and liabilities, impairment of financial assets and hedge accounting.

As with MFRS 16's predecessor, MFRS 117, lessors classify leases as operating or finance in nature. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise a lease is classified as an operating lease.

2. BASIS OF PREPARATION (CONT'D)

(a) Adoption of new and revised MFRS (Cont'd)

The main effect of the adoption of the above is summarised below: (Cont'd)

(i) MFRS 16 Leases (Cont'd)

For finance leases a lessor recognises finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the net investment. A lessor recognises operating lease payments as income on a straight-line basis or, if more representative of the pattern in which benefit from use of the underlying asset is diminished, another systematic basis.

Recognition exemptions: Instead of applying the recognition requirements of MFRS 16 described above, a lessee may elect to account for lease payments as an expense on a straight-line basis over the lease term or another systematic basis for the following two types of leases:

- leases with a lease term of 12 months or less and containing no purchase options – this election is made by class of underlying asset; and
- leases where the underlying asset has a low value when new (such as personal computers or small items of office furniture) – this election can be made on a lease-by-lease basis.

The Group had to change its accounting policies and make certain retrospective adjustments following the adoption of MFRS 16. This is disclosed in Note 2(c).

(ii) IC Interpretation 23 Uncertainty over Income Tax Treatments

IC Interpretation 23 provides guidance on how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. If an entity concludes that it is not probable that the tax treatment will be accepted by the tax authority, the effect of the tax uncertainty should be included in the period when such determination is made. An entity shall measure the effect of uncertainty using the method which best predicts the resolution of the uncertainty.

The adoption of the interpretation did not have any financial impact to the financial statements of the Group.

(iii) Amendments to MFRS 112 (Annual Improvements to MFRS Standards 2015-2017 Cycle)

Under MFRS 112, Amendments to MFRS 112 (Annual Improvements to MFRS Standards 2015-2017 Cycle), an entity shall recognise the income tax consequences of dividends as defined in MFRS 9 when it recognises a liability to pay a dividend. The income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

The adoption of the amendments did not have any financial impact to the financial statements of the Group.

2. BASIS OF PREPARATION (CONT'D)

(a) Adoption of new and revised MFRS (Cont'd)

The main effect of the adoption of the above is summarised below: (Cont'd)

(iv) Amendments to MFRS 123 (Annual Improvements to MFRS Standards 2015-2017 Cycle)

The amendments are made on the borrowing costs eligible for capitalisation. MFRS 123 Borrowing Costs states that the capitalisation rate of borrowing costs shall be the weighted average of the borrowing costs applicable to the borrowings of the entity that are outstanding during the period other than borrowings made specifically for the purpose of obtaining a qualifying asset. Amendments to MFRS 123 (Annual Improvements to MFRS Standards 2015-2017 Cycle) has extended the statement by stating that an entity shall exclude from this calculation borrowing costs applicable to borrowings made specifically for the purpose of obtaining a qualifying asset until substantially all the activities necessary to prepare that asset for its intended use or sale are complete.

The adoption of the amendments did not have any financial impact to the financial statements of the Group.

(b) Standards issued but not yet effective

Certain new accounting standards and interpretations have been issued but not yet effective for 31 March 2020 reporting periods and have not been early adopted by the Group and the Company. These standards are not expected to have a material impact on the Group and the Company in the current or future reporting periods.

(c) Changes in accounting policies and disclosure

The Group applied MFRS 16 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

The Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of MFRS 117. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 April 2019.

The Group has elected to use the simplified retrospective transition method and to apply a number of practical expedients as provided in MFRS 16. In applying the simplified retrospective transition method, the 2019 comparative information was not restated and the Group used the option to measure the right-of-use ('ROU') assets at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

The comparative information continued to be reported under the previous accounting policies governed under MFRS 117 "Leases" and IC Int. 4 "Determining whether an Arrangement Contains a Lease".

2. BASIS OF PREPARATION (CONT'D)

(c) Changes in accounting policies and disclosure (Cont'd)

In applying MFRS 16 for the first time, the Group has applied the following practical expedients permitted by the standard to leases previously classified as operating leases under MFRS 117:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- reliance on previous assessments on whether leases are onerous;
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short-term leases;
- the exclusion of initial direct costs for the measurement of the ROU asset at the date of initial application; and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

Impact on the financial statements

The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 April 2019 was 5% per annum. The reconciliation between the operating lease commitments disclosed applying MFRS 117 at 31 March 2019 to the lease liabilities recognised at 1 April 2019 is as follows:

Group	**RM**
Operating lease commitment disclosed as at 31 March 2019	1,770,000
Discounted using the lessee's incremental borrowing rate of at the date of initial application	(808,824)
Lease liability recognised as at 1 April 2019	961,176
Of which are:	
Current lease liability	14,941
Non-current lease liability	946,235
	961,176

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

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

The key judgements and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Income taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on their understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the year in which such determination is made.

(ii) Production start date

The Group assesses the stage of each mine under development/construction to determine when a mine moves into production phase, this being when the mine is substantially complete and ready for its intended use. The criteria used to assess the start date are determined based on the nature of each mine development/construction project, such as the complexity of the project and its location. The Group considers various relevant criteria to assess when the production phase is considered to have commenced. At this point, all related amounts are reclassified from "construction work-in progress" to "producing mines" and/or "property, plant and equipment".

Some of the criteria used to identify the production start date include, but are not limited to:

- Level of capital expenditure incurred compared with the original construction cost estimate.
- Completion of a reasonable period of testing of the mine plant and equipment.
- Ability to produce gold in saleable form (within specifications).
- Ability to sustain ongoing production of gold.

When a mine development project moves into the production phase, the capitalisation of certain mine development costs ceases and costs are either regarded as forming part of the cost of inventory or expensed, except for costs that qualify for capitalisation relating to mining asset additions or improvements, deferred stripping activities or ore reserve development. It is also at this point that depreciation/amortisation commences.

(iii) Depreciation of property, plant and equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions.

The Group and the Company anticipate that the residual values of their property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. The management estimates the useful lives of the property, plant and equipment to be within 5 to 20 years. These are common life expectancies applied in the aquaculture and mining industry. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (CONT'D)

(iv) **Exploration and evaluation expenditure**

The application of the Group's accounting policy for exploration and evaluation expenditure requires judgement in determining whether it is likely that future economic benefits will flow to the Group either from future development or sale.

The deferral of exploration and evaluation expenditure requires management to make certain estimates and assumptions about future events or circumstances, in particular, whether an economically viable extraction operation can be established. If, after exploration and evaluation expenditure is capitalised, information becomes available suggesting that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount, the Group carries out an impairment test at the cash generating unit or group of cash generating units level in the financial year the new information becomes available.

(v) **Amortisation of mineral rights**

The Group amortised the mineral rights from the date on which the commercial production begins computed using the units-of-production method based on estimated proven and probable ore reserve, which results in an amortisation charge proportional to the depletion of the anticipated remaining life of mine production. Each item's economic life, which is assessed annually, has due regard to both its physical life limitations and to present assessments of economically recoverable reserves of the mine property at which it is located. The amount of recoverable reserves requires the use of estimates and assumptions.

(vi) **Depreciation of exploration and evaluation assets**

The Group depreciated the exploration and evaluation assets from the date on which the commercial production begins computed using the units-of-production method based on estimated proven and probable ore reserve, which results in a depreciation charge proportional to the depletion of the anticipated remaining life of mine production. Each item's economic life has due regard to both its physical life limitations and to present assessments of economically recoverable reserves of the mine property at which it is located. The amount of recoverable reserves requires the use of estimates and assumptions.

(vii) **Reserves and resources**

Ore reserves are estimates of the amount of ore that can be economically and legally extracted from the Group's mining properties. The Group estimates its ore reserves and mineral resources based on information compiled by appropriately qualified persons relating to the geological data on the size, depth and shape of the ore body and this requires complex geological judgements to interpret data. The estimation of recoverable reserves is based upon factors such as estimates of foreign exchange rates, commodity prices, future capital requirements, and production costs along with geological assumptions and judgements made in estimating the size and grade of the ore body. Changes in the reserve or resource estimates may impact upon the carrying value of mineral rights and amortisation charges.

(viii) **Amortisation of broodstocks**

The cost of broodstocks is amortised on a straight-line basis over their estimated economic useful lives of the respective species of fish and crab. Management estimates the expected economic egg production lives to be within 8 to 10 years for fishes and 2 years for crabs. Changes to these estimated economic egg production lives could impact the future amortisation charges.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (CONT'D)

(ix) Impairment of non-financial assets

The Group determines at each reporting date whether a trigger for an impairment review exist. If an impairment review is necessary, the Directors estimates the recoverable account of the asset by reference to the higher of value in use ("VIU") being the net present value of future cash flows expected to be generated by the asset, and fair value less costs to dispose ("FVLCD"). In estimating the recoverable amount of the assets in use, the Directors rely on independent professional valuers to determine FVLCD if possible.

(x) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(xi) Fair value of fishery livestocks

The Group uses a discount rate to present value future cash flows. Significant judgement is required in determining the appropriate rate to be used, which is based on the weighted average cost of capital of the Company. This weighted average cost of capital is observed from Bloomberg and is at 10.05% at 31 March 2020 (12.1% at 31 March 2019). Estimates are also involved in determining the fair value of fishery livestocks relating to market prices, average weight, tails of fishes, quality of the fishes and mortality rates. There is no effective market for fishery livestocks, so market price is derived from observable market prices (when available), contracted prices or estimated future prices based on historical data. Weight of the fishes is determined based on the estimated number of fishes at the period end less expected mortality rate multiplied by the estimated average weight of the fishes. The fishes grow at different rates and there can be a considerable spread in the quality and weight of the fishes that affects the price achieved.

4. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of consolidation

These financial statements are the consolidated financial statements of Bahvest Resources Berhad and entities controlled by it and its subsidiaries ("the Group").

Control is achieved when the investor:

- has power over the investee;
- is exposed or has rights to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

If facts and circumstances indicate that there are changes to one or more of the three elements of control listed above, the investor shall reassess whether it controls the investee.

An investor can have power over an investee even if it holds less than a majority of the voting rights of an investee. All facts and circumstances are considered in assessing whether or not voting rights in an investee are sufficient to give it power, for example, through:

- contractual arrangements with other vote holders;
- rights from other contractual arrangements that indicate that the company has the current ability to direct the relevant activities of the investee;
- the size of the company's holding of voting rights relative to the size and dispersion of holdings of other vote holders; or
- potential voting rights held by the company that are substantive.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of consolidation (Cont'd)

(i) Investment in subsidiaries

Consolidation of a subsidiary begins from the date the investor gains control of an investee and ceases when the investor loses control of an investee.

The purchase, or acquisition, method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of the acquisition is measured as the fair value of assets transferred, equity instruments issued and liabilities incurred at the date of exchange.

Intra-group transactions, balances and unrealised gains and losses on transactions between group companies are eliminated.

Non-controlling interests in subsidiaries are presented in the consolidated statement of financial position separately from the equity attributable to equity owners of the parent company. Non-controlling shareholders' interest may initially be measured either at fair value or at the non-controlling shareholders' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on each acquisition individually. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Acquisitions or disposals of non-controlling interests which do not affect the parent company's control of the subsidiary are accounted for as transactions with equity holders. Any difference between the fair value of the amount paid or received and the change in non-controlling interests is recognised directly in equity.

When the Group ceases to have control of a subsidiary, any retained interest in the entity is re-measured to its fair value at the date when control is lost with the adjustment being recognised in profit or loss as part of the gain or loss on disposal of the controlling interest. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (this may mean that these amounts are reclassified to profit or loss or transferred to another category of equity as specified by applicable MFRS).

(ii) Business combinations

Business combinations are accounted for using the acquisition method. The consideration for acquisition is measured at the fair values of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in order to obtain control of the acquiree (at the date of exchange). Costs incurred in connection with the acquisition are recognised in profit or loss as incurred. Where a business combination is achieved in stages, previously held interests in the acquiree are re-measured to fair value at the acquisition date (date the Group obtains control) and the resulting gain or loss, is recognised in profit or loss. Adjustments are made to fair values to bring the accounting policies of acquired businesses into alignment with those of the Group. The costs of integrating and reorganising acquired businesses are charged to the post acquisition profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of consolidation (Cont'd)

(ii) Business combinations (Cont'd)

If the initial accounting is incomplete at the reporting date, provisional amounts are recorded. These amounts are subsequently adjusted during the measurement period, or additional assets or liabilities are recognised when new information about its existence is obtained during this period.

Non-measurement period adjustments to contingent consideration(s) classified as equity are not remeasured. Non-measurement period adjustments to other contingent considerations are remeasured at fair value with changes in fair value recognised in profit or loss.

(b) Foreign currency transactions

(i) Functional and presentation currencies

The Group's consolidated financial statements are presented in Ringgit Malaysia (RM), which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(ii) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Group entities and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

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

(c) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Revenue recognition (Cont'd)

The control of the promised goods or services may be transferred over time or at a point in time. The control over the goods or services is transferred over time and revenue is recognised over time if:

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

Revenue for performance obligation that is not satisfied over time is recognised at the point in time at which the customer obtains control of the promised goods or services.

(d) Employee benefits

The Group and the Company recognise a liability when an employee has provided service in exchange for employee benefits to be paid in the future and an expense when the Group and the Company consume the economic benefits arising from service provided by an employee in exchange for employee benefits.

(i) Short-term employee benefits

Wages and salaries are usually accrued and paid on a monthly basis and are recognised as an expense, unless they relate to cost of producing inventories or other assets.

Paid absences (annual leave, maternity leave, paternity leave, sick leave, etc.) are accrued in each period if they are accumulating paid absences that can be carried forward, or in the case of non-accumulating paid absences, recognised as and when the absences occur.

Profit sharing and bonus payments are recognised when, and only when, the Group and the Company have a present legal or constructive obligation to make such payment as a result of past events and a reliable estimate of the obligation can be made.

(ii) Post-employment benefits (defined contribution plans)

The Group and the Company make statutory contributions to the approved provident funds and the contributions made are charged to profit or loss in the period to which they relate. When the contributions have been paid, the Group and the Company have no further payment obligations.

(iii) Share-based payment transactions

The grant date fair value of share-based payment granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards.

The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Employee benefits (Cont'd)

(iii) Share-based payment transactions (Cont'd)

For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of the employee share options is measured using Black-Scholes model. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information), weighted average expected life of the instruments (based on historical experience and general option holder behavior), and the risk-free interest rate (base on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

(e) Mine development costs

Capitalised mine development costs includes expenditure incurred to develop new orebodies, to define further mineralisation in existing orebodies and to expand the capacity of a mine. Mine development costs includes the acquisition cost of mineral rights and exploration properties.

These cost are amortised from the date on which commercial production begins. Depreciation, depletion and amortisation of mine development costs are computed by the units-of-production method based on estimated proven and probable Ore Reserve. The proven and probable Ore Reserve reflects estimated quantities of reserves which can be recovered economically in the future from known mineral deposits.

(f) Exploration, evaluation and development expenditure

(i) Exploration

Exploration expenditures reflect the costs related to the initial search for mineral deposits with economic potential or obtaining more information about existing mineral deposits.

Exploration expenditures typically include costs associated with the acquisition of mineral licenses, prospecting, sampling, mapping, diamond drilling and other work involved in searching for ore.

All expenditures relating to exploration activities are expensed as incurred except for the costs associated with the acquisition of mineral rights which are capitalised.

(ii) Evaluation

Evaluation expenditures reflect costs incurred at projects related to establishing the technical and commercial viability of mineral deposits identified through exploration or acquired through a business combination or asset acquisition.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Exploration, evaluation and development expenditure (Cont'd)

(ii) Evaluation (Cont'd)

Evaluation expenditures include the cost of:

- establishing the volume and grade of deposits through drilling of core samples, trenching and sampling activities in an ore body that is classified as either a mineral resource or a proven and probable reserve;
- determining the optimal methods of extraction and metallurgical and treatment processes;
- studies related to surveying, transportation and infrastructure requirements;
- permitting activities; and
- economic evaluations to determine whether development of the mineralised material is commercially justified, including scoping, prefeasibility and final feasibility studies.

Evaluation expenditures are capitalised if management determines that there is evidence to support probability of generating positive economic returns in the future. A mineral resource is considered to have economic potential when it is expected the technical feasibility and commercial viability of extraction of the mineral resource is demonstrable considering long-term metal prices. Therefore, prior to capitalizing such costs, management determines that the following conditions have been met:

- There is a probable future benefit that will contribute to future cash inflows;
- The Group can obtain the benefit and control access to it; and
- The transaction or event giving rise to the benefit has already occurred.

The evaluation phase is complete once technical feasibility of the extraction of the mineral deposit has been determined through preparation of a reserve and resource statement, including a mining plan as well as receipt of required permits and approval of the Board of Directors to proceed with development of the mine.

(iii) Development

Development expenditures are those that are incurred during the phase of preparing a mineral deposit for extraction and processing. These include pre-stripping costs and underground development costs to gain access to the ore that is suitable for sustaining commercial mining, preparing land, construction of plant, equipment and buildings and costs of commissioning the mine and mill.

Expenditures incurred on development projects continue to be capitalised until the mine and mill moves into the production stage. The Group assesses each mine construction project to determine when a mine moves into production stage.

The criteria used to assess the start date are determined based on the nature of each mine construction project, such as the complexity of a plant or its location. Various relevant criteria are considered to assess when the mine is substantially complete and ready for its intended use and moved into the production stage. Some of the criteria considered would include, but are not limited to, the following:

(i) the level of capital expenditures compared to construction cost estimates;
(i) the completion of a reasonable period of testing of mine plant and equipment;
(iii) the ability to produce minerals in saleable form (within specification); and
(iv) the ability to sustain ongoing production of minerals.

Alternatively, if the factors that impact the technical feasibility and commercial viability of a project change and no longer support the probability of generating positive economic returns in the future, expenditures will no longer be capitalised.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Tax assets and tax liabilities

A current tax for current and prior periods, to the extent unpaid, is recognised as a current tax liability. If the amount already paid in respect of current and prior periods exceed the amount due for those periods, the excess is recognised as a current tax asset. A current tax liability/(asset) is measured at the amount the entity expects to pay/(recover) using tax rates and laws that have been enacted or substantially enacted by the reporting date.

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit/(or tax loss). The exceptions for initial recognition differences include items of property, plant and equipment that do not qualify for capital allowances and acquired intangible assets that are not deductible for tax purposes.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit/(or tax loss). The exceptions for the initial recognition differences include non-taxable government grants received and reinvestment allowances and investment tax allowances on qualifying plant and equipment.

A deferred tax asset is recognised for the carry-forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Unused tax credits do not include unabsorbed reinvestment allowances and unabsorbed investment tax allowances because the Group and the Company treat these as part of initial recognition differences.

Deferred taxes are measured using tax rates/(and tax laws) that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred taxes reflects the tax consequences that would follow from the manner in which the Group and the Company expect, at the end of the reporting period, to recover or settle the carrying amount of its assets or liabilities.

At the end of each reporting period, the carrying amount of a deferred tax asset is reviewed and is reduced to the extent that it is no longer probably that sufficient taxable profit will be available to allow the benefit of a part or all of that deferred tax asset to be utilised. Any such reduction will be reversed to the extent that it becomes probably that sufficient taxable profit will be available.

A current or deferred tax is recognised as income and expense in profit or loss for the period, except to the extent that the tax arises from items recognised outside profit or loss. For an income or expense item recognised in other comprehensive income, the current or deferred tax expense or tax income is recognised in other comprehensive income. For items recognised directly in equity, the related tax effect is also recognised directly in equity.

(h) Earnings per share

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Property, plant and equipment

Operating tangible assets that are used for more than one accounting period in the production and supply of goods and services, for administrative purposes or for rental to others are recognised as property, plant and equipment when the Group and the Company obtain control of the asset. Any subsequent replacement of a significant component in an existing asset is capitalised as a new component in the asset and the old component is derecognised.

All property, plant and equipment are initially measured at cost. For a purchased asset, cost comprises purchase price plus all directly attributable costs incurred in bringing the asset to its present location and condition for management's intended use. For a self-constructed asset, cost comprises all direct and indirect costs of construction (including provision for restoration and cost of major inspections) but excludes internal profits. For an exchange of non-monetary asset that has commercial substance, cost is measured by reference to the fair value of the asset received. For an asset transferred from a customer or a grantor, cost is measured by reference to the fair value of the asset.

All property, plant and equipment are subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

Construction work-in-progress is not depreciated but is subject to impairment test if there is any indication of impairment.

Exploration and evaluation assets incurred after the commencement of production, that are capitalised, are depreciated using the units-of-production method based on estimated proven and probable ore reserve.

Leasehold land is amortised over the period of the lease term.

All other property, plant and equipment are depreciated on a straight-line basis by allocating the depreciable amount of a significant component or of an item over the remaining useful life.

The principal annual rates of depreciation used are as follows:

	%
Buildings	10
Road and drainage	5
Mine processing plant	10
Tailing damn and filter press	10
Floating platforms, net and cages	10
Hatchery ponds	10
Heavy equipment	20
Vessels	7
Motor vehicles	20
Fish pond equipment, furniture, fittings and equipment	10
Renovation	10

At the end of each reporting period, the residual values, useful lives and depreciation methods for the property, plant and equipment are reviewed for reasonableness. Any change in estimate of an item is adjusted prospectively over its remaining useful life, commencing in the current period.

Notes To The Financial Statements
(Cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Following the initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(k) Biological assets

Biological assets represent broodstocks, fishery livestocks, fish fry and crab.

(i) Broodstocks

Broodstocks are measured at cost less accumulated amortisation and impairment losses as the quoted market prices are not available and for which alternative estimates of fair value measurements are determined to be clearly unreliable. Once the fair value of such a biological asset becomes reliably measurable, an entity shall measure it at its fair value less costs to sell.

All costs incurred on immature broodstocks which are accumulated on a project basis are capitalised until such time when the broodstocks commence breeding. Costs incurred on immature broodstocks consist of the acquisition cost of the mother fish/crab, cost of feeds and medication, direct labour cost and an appropriate proportion of farm operating overheads. Maintenance costs of broodstocks after commencement of breeding are recognised in profit or loss.

Broodstocks are fishes/crab held for reproduction purpose, not intended for sale and classified as non-current asset. The costs of broodstocks are amortised over the expected reproductive lifespan of the respective fish/crab, as follows:

Fishes	8 to 10 years depending on species
Crab	2 years

Upon disposal of the broodstocks, the difference between the net disposal proceeds and the net carrying amount is recognised in profit or loss.

(ii) Fishery livestocks

Fishery livestocks are measured at fair value less costs to sell, based on market prices of livestock of similar age, species, genetic merit with adjustments, where necessary, to reflect the differences. Market prices are obtained from observable market prices (where available), contracted prices or estimated future prices. The costs to sell include the incremental selling costs, including fees and commission paid to dealers and estimated costs of transport to market. Changes in fair value of livestock are recognised in profit or loss.

In measuring the fair value of fishery livestocks, various management estimates and judgements are required. Estimates and judgements in determining the fair value of fishery livestocks relate to the market prices, average weight, tails of fishes, quality of the fishery livestocks and mortality rates.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) **Biological assets (Cont'd)**

(iii) **Fish fry and crab**

Fish fry and crab is measured at cost less impairment losses as the fair value cannot be measured reliably and there is little biological transformation. The cost of fish fry is measured based on monthly weighted average cost formula, and includes cost of purchase plus transportation charges (if any), feed and medication, direct labour cost and and an appropriate proportion of farm operating overheads accumulated on a project basis.

(l) **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) **Financial assets**

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI) and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under MFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

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

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commit to purchase or sell the asset.

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

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

The Group only has financial assets at amortised cost.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Financial instruments (Cont'd)

(i) Financial assets (Cont'd)

Financial assets at amortised cost (debt instruments)

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

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes trade and other receivables and cash and bank balances.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

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

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

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

Impairment of financial assets

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Financial instruments (Cont'd)

(i) Financial assets

Impairment of financial assets (Cont'd)

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

For trade receivables and contract assets, the Group applies a simplified approaches in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through OCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than one year past due. It is the Group's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

The Group considers a financial asset in default when contractual payments are two years past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(ii) Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities, within the scope of MFRS 9, are recognised in the statements of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or financial liabilities measured at amortised cost.

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Financial instruments (Cont'd)

(ii) Financial liabilities (Cont'd)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities held for trading include derivatives entered into by the Group that does not meet the hedge accounting criteria. Derivative liabilities are initially measured at fair value and subsequently stated at fair value, with any resultant gains or losses recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

The Group has no financial liabilities in this category.

Financial liabilities measured at amortised cost

The Group's financial liabilities measured at amortised cost include trade and other payables, and loans and borrowings.

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve (12) months after the reporting date.

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

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

(m) Impairment of non-financial assets

The Group and the Company assess at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group and the Company make an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(m) Impairment of non-financial assets (Cont'd)

Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless that asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in a subsequent period.

(n) Inventories

Consumable stocks are measured at the lower of cost and net realisable value.

The cost of consumable stocks is measured based on weighted average cost formula, and includes expenses incurred in bringing the items into stores. Provision is made for all damaged, obsolete and slow-moving items.

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

(o) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are classified as equity.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Dividends on ordinary shares are recognised as an appropriation of retained profits upon declaration, and are only taken up as liabilities upon the necessary approval being obtained.

(p) Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowings costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group incurred in connection with the borrowing of funds.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(q) Leases

Policy applicable from 1 April 2019

(i) Classification

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

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physical distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

- the customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

- the customer has the right to direct the use of the asset. The customer has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the customer has the right to direct the use of the asset if either the customer has the right to operate the asset; or the customer designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

(ii) Recognition and initial measurement

As a lessee

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

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the respective Group entities' incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(q) **Leases (Cont'd)**

Policy applicable from 1 April 2019 (Cont'd)

(ii) **Recognition and initial measurement (Cont'd)**

As a lessee (Cont'd)

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

- fixed payments, including in-substance fixed payments less any incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Group is reasonably certain to exercise; and
- penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The Group excludes variable lease payments that linked to future performance or usage of the underlying asset from the lease liability. Instead, these payments are recognised in profit or loss in the period in which the performance or use occurs.

The Group has elected to use the recognition exemption that permits entities not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

(iii) **Subsequent measurement**

As a lessee

The right-of-use asset is subsequently 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. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a revision of in-substance fixed lease payments, or if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(q) **Leases (Cont'd)**

Policy applicable from 1 April 2019 (Cont'd)

(iii) **Subsequent measurement (Cont'd)**

As a lessor

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of "other operating income".

Policy applicable before 1 April 2019

(i) **Classification**

A lease is recognised as a finance lease if it transfers substantially to the Group all the risks and rewards incidental to ownership. Leases of land and buildings are classified as operating or finance leases in the same way as leases of other assets and the land and buildings elements of a lease of land and buildings are considered separately for the purposes of lease classification. All leases that do not transfer substantially all the risks and rewards are classified as operating leases, except land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease.

(ii) **Finance leases – the Group as lessee**

Assets acquired by way of hire purchase or finance leases are stated at an amount equal to the lower of their fair values and the present value of the minimum lease payments at the inception of the leases, less accumulated depreciation and impairment losses. The corresponding liability is included in the statement of financial position as borrowings. In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease, when it is practicable to determine; otherwise, the Group's incremental borrowing rate is used. Any initial direct costs are also added to the carrying amount of such assets.

Lease payments are apportioned between the finance costs and the reduction of the outstanding liability. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are recognised in the profit or loss over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

(iii) **Operating leases – the Group as lessee**

In the case of a lease of land and buildings, the minimum lease payments or the up-front payments made are allocated, whenever necessary, between the land and the buildings elements in proportion to the relative fair values for leasehold interests in the land element and buildings element of the lease at the inception of the lease. The up-front payment represents prepaid lease payments and are amortised on a straight-line basis over the lease term.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(r) **Government grant**

Government grant is recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant and is then recognised in profit or loss as other income on a systematic basis over the useful life of the asset.

Grant that compensate the Group for expenses incurred is recognised in profit or loss as other income on a systematic basis in the same period in which the expenses are recognised.

(s) **Financial guarantee contracts**

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

Financial guarantee contracts are recognised initially as a liability at fair value, net transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee. If the debtor fails to make payment relating to financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised less cumulative amortisation.

(t) **Provisions**

Provisions are recognised when the Group and the Company have present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations, and a reliable estimate of the amount can be made.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision will be reversed. Where the effect of the time value of money is material, provisions are discounted using a current per-tax rate that reflects, where appropriate, the risks specific to the liability and the present value of the expenditure expected to be required to settle the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

(u) **Contingencies**

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

Contingent liabilities and assets are not recognised in the Statements of Financial Position of the Group.

(v) **Segment reporting**

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(w) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transactions to sell the asset or transfer the liability takes place either:

(i) In the principal market for the asset or liability, or

(ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

(i) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
(ii) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
(iii) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

5. REVENUE

	Group 2020 RM	Group 2019 RM
Type of goods		
Sale of adult fish	7,959,524	24,357,182
Sale of fish fry	–	93,480
Sale of frozen products	1,332,428	1,224,418
Sale of gold	85,712,086	39,338,614
Sale of silver	126,584	38,026
Total revenue from contracts with customers	95,130,622	65,051,720
Market of goods		
Export sales	7,899,937	24,194,247
Local sales	87,230,685	40,857,473
Total revenue from contracts with customers	95,130,622	65,051,720
Operation based revenue		
Malaysia	87,230,685	40,857,473
Hong Kong	7,899,937	24,194,247
Total revenue from contracts with customers	95,130,622	65,051,720
Timing of revenue recognition		
Goods transferred at a point in time	95,130,622	65,051,720
Total revenue from contracts with customers	95,130,622	65,051,720

Notes To The Financial Statements
(Cont'd)

6. OTHER OPERATING INCOME

	Group 2020 RM	Group 2019 RM	Company 2020 RM	Company 2019 RM
Amortisation of government grant (Note 26)	875,630	875,630	–	–
Bad debts recovered	127,862	–	127,862	–
Foreign exchange gain				
- Realised	–	97,305	–	–
- Unrealised	–	280,343	–	–
Gains from logs and timber income	–	1,297,757	–	–
Gain on disposal of property, plant, equipment	–	5,570	–	–
Interest income	112,847	1,334	–	–
Rental income	700,000	180,000	–	–
Miscellaneous income	77,619	51,369	–	–
	1,893,958	2,789,308	127,862	–

7. IMPAIRMENT ON FINANCIAL ASSETS

	Group 2020 RM	Group 2019 RM	Company 2020 RM	Company 2019 RM
Deposit written off	13,766	11,428	–	–
Impairment on trade and other receivables (Note 20)	21,257,430	114,987	9,836,661	7,182,925
	21,271,196	126,415	9,836,661	7,182,925

8. OTHER OPERATING EXPENSES

	Group 2020 RM	Group 2019 RM	Company 2020 RM	Company 2019 RM
Amortisation of mineral rights (Note 16)	20,147,038	3,228,071	20,123,665	3,224,326
Amortisation of broodstocks (Note 18)	405,203	390,254	–	–
Fatalities charge on broodstocks (Note 18)	331,010	10,738	–	–
Fatalities charge on fishfry (Note 18)	11,739,600	2,137,800	–	–
Impairment of slow-moving inventories (Note 19)	480,831	–	–	–
Impairment on broodstocks (Note 18)	51,082	–	–	–
Property, plant and equipment written off (Note 15)	37,281	1,016	3	–
	33,192,045	5,767,879	20,123,668	3,224,326

9. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Commissions	296,492	186,722	–	–
Contributions to defined contribution plan	787,147	521,285	–	–
Contributions to employment insurance scheme	8,037	4,939	–	–
Salaries and wages	11,044,581	8,892,378	–	–
Social security contributions	83,317	49,074	–	–
	12,219,574	9,654,398	–	–

Included in employee benefits expense of the Group and of the Company are Executive Directors' remuneration consisting salaries and other emoluments and fees amounting to RM1,521,735 (2019: RM1,428,598) and RMNil (2019: RMNil) respectively as further disclosed in Note 10 to the financial statements.

Share-based payment arrangements

Share option programme (equity-settled)

On 15 January 2013, the Group granted share options to eligible Directors and employees of the Group to acquire shares in the Company under the Employees Share Options Scheme ("ESOS") approved by the shareholders of the Company on 3 January 2013. On 17 August 2013, 3 May 2015, 25 August 2016, 11 March 2017, 20 September 2017 and 2 July 2018, the Group further granted share options on similar terms (except for exercise price) to eligible employees. 28,258,930 of share options were further granted on 11 December 2018 to eligible Directors and employees following the bonus issue of the Company. In accordance with this programme, holders of vested options are entitled to acquire shares at the market price of the shares at the date of grant. All options are to be settled by physical delivery of shares.

The terms and conditions related to grants of the share option programme are as follows:

Grant date/employees entitled	Number of options	Vesting conditions	Remaining contractual life of options
Options granted to Directors and employees on 15 January 2013	105,000,000	Vested on the grant date	4 years
Options granted to an employee on 17 August 2013	1,500,000	Vested on the grant date	4 years
Options granted to employees on 3 3 May 2015	1,307,150	Vested on the grant date	4 years
Options granted to employees on 25 August 2016	3,569,295	Vested on the grant date	4 years
Options granted to employees on 11 March 2017	3,849,295	Vested on the grant date	4 years
Options granted to employees on 20 September 2017	1,500,000	Vested on the grant date	4 years
Options granted to employees on 2 July 2018	1,310,030	Vested on the grant date	4 years
Effect of bonus issue on options granted to Directors and employees on 11 December 2018	28,258,930	Vested on the grant date	3 years

Notes To The Financial Statements
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9. EMPLOYEE BENEFITS EXPENSE (CONT'D)

Share-based payment arrangements (Cont'd)

Share option programme (equity-settled) (Cont'd)

The number, weighted average exercise prices and share price at date of exercise of share options are as follows:

	2020			2019		
	Weighted average			Weighted average		
	Exercise price RM	Share price RM	Number of options	Exercise price RM	Share price RM	Number of options
Outstanding at 1 April	0.36	–	54,753,660	0.80	–	33,959,260
Exercised during the financial year	0.40	0.43	(1,821,200)	0.66	1.07	(7,464,500)
Effect of bonus issue during the financial year	–	–	–	0.36	–	28,258,930
Granted during the financial year	–	–	–	1.05	–	1,310,030
Withdrawn unexercised	–	–	–	0.80	–	(1,310,030)
Outstanding at 31 March	0.36	–	52,932,460	0.36	–	54,753,660
Exercisable at 31 March	0.36	–	52,932,460	0.36	–	54,753,660

The options outstanding at 31 March 2020 have an exercise price in the range of RM0.35 to RM0.52 (2019: RM0.35 to RM0.52) and a weighted average remaining contractual life of 4 years (2019: 5 years).

The fair values of these options have been fully charged to the profit or loss in prior years as they have been fully vested.

10. DIRECTORS' REMUNERATION

The details of remuneration receivable by Directors of the Group and of the Company during the financial year are as follows:

	Group		Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Executive Directors' remuneration:				
- Commissions	50,401	47,059	–	–
- Other emoluments	151,334	133,539	–	–
- Salaries	1,320,000	1,248,000	–	–
	1,521,735	1,428,598	–	–

10. DIRECTORS' REMUNERATION (CONT'D)

The details of remuneration receivable by Directors of the Group and of the Company during the financial year are as follows: (Cont'd)

	Group		Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Non-executive Directors' remuneration:				
- Fee	276,000	289,000	276,000	289,000
- Other emoluments	10,000	11,000	10,000	11,000
	286,000	300,000	286,000	300,000
Total Directors' remuneration	1,807,735	1,728,598	286,000	300,000

The number of Directors of the Company whose total remuneration during the financial year fell within the following bands is analysed below:

	Number of Directors	
	2020	2019
Executive Directors:		
RM50,001 – RM200,000	2	3
RM200,001 – RM350,000	2	1
RM350,001 – RM500,000	–	–
RM500,001 and above	1	1
Non-executive Directors:		
Below RM50,000	1	3
RM50,001 – RM200,000	2	2

Notes To The Financial Statements
(Cont'd)

11. (LOSS)/PROFIT FROM OPERATIONS

	Group		Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Other than disclosed in Note 6, 7, 8 ,9 and 10, (loss)/profit from operations is arrived at after charging:				
Auditors' remuneration				
- Statutory audit				
- current year	205,000	172,000	88,000	88,000
- underprovision in prior year	12,000	–	12,000	–
- other services	5,000	5,000	5,000	5,000
Depreciation of property, plant and equipment (Note 15)	12,023,382	9,610,709	422	750
Foreign exchange loss				
- Realised	88,809	295,630	20,422	–
- Unrealised	5,590	361,411	–	–
Hire of live fish carrier	336,043	1,003,239	–	–
Hiring of heavy machineries	115,489	159,494	–	–
Impairment of investments in subsidiary companies (Note 17)	–	–	2,753,133	–
Loss on disposal of property, plant and equipment	4,500	–	–	–
Prepayment written off	31,567	–	–	–
Rehabilitation cost	1,250,739	–	–	–
Rental expenses*	120,185	306,025	–	–
Royalty	4,286,769	2,650,017	–	–

* Expenses relating to short-term lease accounted for applying the recognition exception of MFRS 16 Leases. There are no material expense relating to low value assets.

12. FINANCE COSTS

	Group		Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Interest expenses:				
- Bank overdrafts	499,132	537,575	–	–
- Hire purchase	886,310	745,188	–	–
- Lease liabilities	45,465	–	–	–
- Overdue	–	18,742	–	–
- Revolving credit	34,977	48,333	–	–
- Supplier late payment interest charges	11,426	–	–	–
- Term loan	195,325	552,680	–	–
	1,672,635	1,902,518	–	–

13. INCOME TAX EXPENSE

	Group		Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Current taxation	5,518,009	2,080,249	–	–
Deferred tax liabilities (Note 27)	(13,501,577)	(3,400,692)	–	–
	(7,983,568)	(1,320,443)	–	–
Under/(Over) provision in prior year				
- Current taxation	168,819	–	–	–
- Deferred tax liabilities (Note 27)	(8,746,981)	–	–	–
	(16,561,730)	(1,320,443)	–	–

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

	Group		Company	
	2020 RM	2019 RM	2020 RM	2019 RM
(Loss)/Profit before taxation	(197,542,969)	4,380,626	(33,494,936)	(8,335,924)
Taxation at Malaysian statutory tax rate of 24% (2019: 24%)	(47,410,313)	1,051,350	(8,038,785)	(2,000,622)
Non-tax deductible expenses	3,536,391	(2,116,191)	8,069,472	3,245,764
Non-taxable income	2,981,620	(462,822)	(30,687)	(1,245,142)
Effect of deductible temporary differences arising from initial recognition of assets but not recognised as deferred tax assets				
- current	33,276,691	207,220	–	–
- prior year	(367,957)	–	–	–
	(7,983,568)	(1,320,443)	–	–
Under/(Over) provision in prior year				
- Current taxation	168,819	–	–	–
- Deferred tax liabilities	(8,746,981)	–	–	–
	(16,561,730)	(1,320,443)	–	–

Plentiful Earnings Sdn. Bhd., one of the subsidiary companies, has been granted tax incentive under Section 127 of the Income Tax Act, 1967 for exemption of tax on statutory income from fish rearing activities for a period of Ten (10) years commencing 1 April 2013.

14. (LOSS)/EARNINGS PER SHARE

(a) Basic

Basic (loss)/earnings per share amounts are calculated by dividing (loss)/profit for the financial year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Group 2020 RM	Group 2019 RM
(Loss)/Profit net of tax attributable to owners of the Company	(180,981,239)	5,701,069
Weighted average number of ordinary shares in issue	1,224,628,272	796,928,742

	Group 2020 Sen	Group 2019 Sen
Basic (loss)/earnings per share	(14.78)	0.72

(b) Diluted

Diluted (loss)/earnings per share amounts are calculated by dividing (loss)/ profit for the financial year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year after adjustment for the effects of all dilutive potential ordinary shares.

	Group 2020 RM	Group 2019 RM
(Loss)/Profit net of tax attributable to owners of the Company	(180,981,239)	5,701,069
Weighted average number of ordinary shares in issue (basic)	1,224,628,272	796,928,742
Effect of share options on issue	- *	54,753,660
Effect of warrants on issue	- *	599,995,756
Weighted average number of ordinary shares in issue (diluted)	1,224,628,272	1,451,678,158
Diluted (loss)/earnings per share	(14.78)	0.39

* The effect of share options and warrants have not been accounted for in the current financial year as their effect is antidilutive.

15. PROPERTY, PLANT AND EQUIPMENT

Group 2020 Cost	Leasehold land RM	Buildings RM	Road and drainage RM	Mine processing plant RM	Tailing dam and filter press RM	Exploration and evaluation assets RM	Floating platforms, net and cages RM	Hatchery ponds RM	Heavy equipment RM	Vessels RM	Motor vehicles RM	Fish pond equipment, furniture, fittings and equipment RM	Renovation RM	Construction work-in-progress RM	Total RM
At 1 April 2018	2,979,292	36,868,699	6,000,000	–	–	–	18,382,242	10,429,630	7,596,373	8,244,585	1,559,024	8,419,407	–	20,896,926	121,376,178
Addition	–	28,130	–	–	–	–	–	–	3,291,119	–	268,851	378,709	–	10,882,934	14,849,743
Disposal	–	–	–	–	–	–	–	–	–	–	(66,600)	–	–	–	(66,600)
Written off (Note 8)	–	–	–	–	–	–	–	–	–	–	–	(1,119)	–	–	(1,119)
Reclassification	–	4,614,890	3,928,231	13,507,734	–	1,452,149	–	–	–	–	–	–	75,577	(23,578,581)	–
At 31 March 2019	2,979,292	41,511,719	9,928,231	13,507,734	–	1,452,149	18,382,242	10,429,630	10,887,492	8,244,585	1,761,275	8,796,997	75,577	8,201,279	136,158,202
Adoption of MFRS 16 (Note 2(c))	961,176	–	–	–	–	–	–	–	–	–	–	–	–	–	961,176
Addition	–	363,204	400	–	–	–	92,034	–	11,164,265	–	490,000	185,098	–	7,307,666	19,602,667
Disposal	–	–	–	–	–	–	–	–	(130,000)	–	–	–	–	–	(130,000)
Written off (Note 8)	–	(81,817)	–	–	–	–	–	–	–	–	(108,650)	(4,495)	–	–	(194,962)
Reclassification	–	551,680	–	582,610	7,342,348	1,404,425	–	–	–	–	–	–	–	(9,881,063)	–
Adjustment*	–	–	–	(156,588)	–	–	–	–	–	–	–				(156,588)
At 31 March 2020	3,940,468	42,344,786	9,928,631	13,933,756	7,342,348	2,856,574	18,474,276	10,429,630	21,921,757	8,244,585	2,142,625	8,977,600	75,577	5,627,882	156,240,495
Accumulated depreciation															
At 1 April 2018	691,258	22,353,741	225,000	–	–	–	15,364,986	9,262,758	1,382,817	2,885,603	800,208	6,169,919	–	–	59,136,290
Charge for the financial year (Note 11)	70,989	3,409,493	349,103	1,003,174	–	12,101	1,144,073	391,411	1,921,141	549,639	240,079	514,468	5,038	–	9,610,709
Written back	–	–	–	–	–	–	–	–	–	–	(52,170)	–	–	–	(52,170)
Written off (Note 8)	–	–	–	–	–	–	–	–	–	–	–	(103)	–	–	(103)

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

Group 2020	Leasehold land RM	Buildings RM	Road and drainage RM	Mine processing plant RM	Tailing dam and filter press RM	Exploration and evaluation assets RM	Floating platforms, net and cages RM	Hatchery ponds RM	Heavy equipment RM	Vessels RM	Motor vehicles RM	Fish pond equipment, furniture, fittings and equipment RM	Renovation RM	Construction work-in-progress RM	Total RM
At 31 March 2019	762,247	25,763,234	574,103	1,003,174	–	12,101	16,509,059	9,654,169	3,303,958	3,435,242	988,117	6,684,284	5,038	–	68,694,726
Charge for the financial year (Note 11)	103,570	3,475,791	496,425	1,347,646	194,713	787,076	769,645	259,841	3,265,422	549,639	283,534	482,522	7,558	–	12,023,382
Written back	–	–	–	–	–	–	–	–	(45,500)	–	–	–	–	–	(45,500)
Written off (Note 8)	–	(45,039)	–	–	–	–	–	–	–	–	(108,649)	(3,993)	–	–	(157,681)
At 31 March 2020	865,817	29,193,986	1,070,528	2,350,820	194,713	799,177	17,278,704	9,914,010	6,523,880	3,984,881	1,163,002	7,162,813	12,596	–	80,514,927
Accumulated impairment															
At 1 April 2018/ 31 March 2019	–	5,020	–	–	–	–	1	15,454	–	–	–	23,292	–	–	43,767
Charge for the financial year	–	–	–	–	–	–	1,195,569	–	–	–	–	32,519	–	3,164,175	4,392,263
31 March 2020	–	5,020	–	–	–	–	1,195,570	15,454	–	–	–	55,811	–	3,164,175	4,436,030
Net book value															
At 31 March 2019	2,217,045	15,743,465	9,354,128	12,504,560	–	1,440,048	1,873,182	760,007	7,583,534	4,809,343	773,158	2,089,421	70,539	8,201,279	67,419,709
At 31 March 2020	3,074,651	13,145,780	8,858,103	11,582,936	7,147,635	2,057,397	2	500,166	15,397,877	4,259,704	979,623	1,758,976	62,981	2,463,707	71,289,538

* The adjustment relates to the overstated cost of processing plant of RM156,588 as at 31 March 2019 in which there is no prior year adjustment being made as the amount is not material.

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

Company

	Furniture, fittings and equipment	
	2020	**2019**
Cost	**RM**	**RM**
At 1 April	11,444	11,444
Addition	5,060	–
Written off (Note 8)	(3,930)	–
At 31 March	12,574	11,444
Accumulated depreciation		
At 1 April	10,261	9,511
Charge for the financial year (Note 11)	422	750
Written off (Note 8)	(3,927)	–
At 31 March	6,756	10,261
Net book value		
31 March	5,818	1,183

Property, plant and equipment of the Group under leases other than the right-of- use assets disclosed below, are as follows:

Group	**At cost**	**Accumulated depreciation**	**Net book value**
2020	**RM**	**RM**	**RM**
Building	448,130	(78,422)	369,708
Mine processing plant	8,790,940	(1,461,349)	7,329,591
Heavy equipment	16,346,152	(5,075,808)	11,270,344
Motor vehicles	1,301,185	(774,154)	527,031
Fish pond equipment	248,000	(49,600	198,400
Tailing dam and filter press	2,678,266	(66,957)	2,611,309
	29,812,673	(7,506,290)	22,306,383
2019			
Building	448,130	(33,609)	414,521
Mine processing plant	8,212,955	(615,972)	7,596,983
Heavy equipment	8,692,480	(2,434,139)	6,258,341
Motor vehicles	1,301,185	(549,865)	751,320
Fish pond equipment	248,000	(24,800)	223,200
	18,902,750	(3,658,385)	15,244,365

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

Depreciation of property, plant and equipment during the financial year was taken up in the financial statements as follows:

	Group		Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Recognised in profit or loss (Note 11)				
- Cost of sales	11,240,295	9,494,666	–	–
- Administrative expenses	705,335	37,329	422	750
- Selling expenses	77,752	78,714	–	–
	12,023,382	9,610,709	422	750

Property, plant and equipment of the Group at net book value pledged to secure the loans and borrowings granted to the Group as disclosed in Note 25 to the financial statements are as follows:

	Group	
	2020 RM	2019 RM
Leasehold land	2,146,057	2,217,045
Buildings	7,243,967	10,073,008
Floating platforms, net and cages	–	1,817,530
Hatchery ponds	500,166	760,007
Heavy equipment	3	3
Motor vehicles	963	1,274
Fish pond equipment, furniture, fittings and equipment	582,042	818,564
Construction work-in-progress	1,096,051	3,164,175
	11,569,249	18,851,606

Motor vehicles of the Group at cost of RM267,534 (2019: RM267,534) and RMNil (2019: RM108,650) were held in trust under the name of third parties and a person connected to certain Directors of the Company respectively.

The right-of-use asset includes shoplot at cost of RM100,514 (2019: RMNil) included within building which relates to the lease of a shoplot for a 3-year period commencing 5 March 2020 until 5 March 2023 and leasehold land.

Due to the presence of indicators of impairment on the Group's aquaculture operations, the Group has assessed the recoverable amount of certain material property, plant and equipment relating to the Group's aquaculture operations, which was determined based on valuation performed by independent experts using the market comparable approach for land and current replacement cost approach for building, plant and equipment. Arising from this review, and impairment loss on property, plant and equipment of the Group of RM4,392,263 was recognised during the current financial year.

Pursuant to the mining lease agreement, the Company is required to pay 1% of revenue generated from the sale of gold towards rehabilitation costs to Lands and Surveys Department in Sabah, which is recognised as an expense in the profit or loss as disclosed in Note 11 to the financial statements. No provision for rehabilitation costs and corresponding recognition to property, plant and equipment is therefore required as the present obligation of the Company on rehabilitation costs is capped at this amount and the Company has no further obligations towards this.

Notes To The Financial Statements
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16. INTANGIBLE ASSETS

Group

Cost	Goodwill RM	Mineral rights RM	Total RM
At 1 April 2018/31 March 2019/31 March 2020	32,176	96,101,488	96,133,664
Accumulated amortisation			
At 1 April 2018	–	–	–
Charged for the financial year (Note 8)	–	3,228,071	3,228,071
At 31 March 2019	–	3,228,071	3,228,071
Charge for the financial year (Note 8)	–	20,147,038	20,147,038
At 31 March 2020	–	23,375,109	23,375,109
Net book value			
At 31 March 2020	32,176	72,726,379	72,758,555
At 31 March 2019	32,176	92,873,417	92,905,593

Company

Cost	Mineral rights RM	Total RM
At 1 April 2018/31 March 2019/31 March 2020	95,990,000	95,990,000
Accumulated amortisation		
At 1 April 2018	–	–
Charge for the financial year (Note 8)	3,224,326	3,224,326
At 31 March 2019	3,224,326	3,224,326
Charge for the financial year (Note 8)	20,123,665	20,123,665
At 31 March 2020	23,347,991	23,347,991
Net book value		
At 31 March 2020	72,642,009	72,642,009
At 31 March 2019	92,765,674	92,765,674

16. INTANGIBLE ASSETS (CONT'D)

Goodwill

The goodwill is attributable mainly to the synergies expected to be achieved from integrating Plentiful Earnings Sdn. Bhd. into the Group's fish rearing business.

Mineral rights

The mineral rights relate to the acquisition of the entire equity interest of Wullersdorf Resources Sdn. Bhd. for a consideration of RM96,101,488 during the financial year ended 31 March 2017. As Wullersdorf Resources Sdn. Bhd. had generally limited activities other than holding the mineral rights, it was not considered an acquisition of business, and therefore MFRS 3 Business Combination was not applicable, and the acquisition was accounted for as the purchase of individual assets.

The mineral rights are amortised from the date on which the commercial production begins using the units-of-production method based on estimated proven and probable Ore Reserve. The proven and probable Ore Reserve reflects estimated quantities of reserves which can be recovered economically in the future from known mineral deposits.

17. INVESTMENTS IN SUBSIDIARY COMPANIES

	Company	
	2020 RM	2019 RM
Unquoted shares, at cost	70,927,900	70,927,900
Less: Impairment loss	(65,876,866)	(63,123,733)
	5,051,034	7,804,167

Details of the subsidiaries are as follows:

Name of subsidiary companies	Country of incorporation	Proportion of ownership interest 2020 %	2019 %	Principal activities
Held by the Company				
Plentiful Harvest Sdn. Bhd.	Malaysia	100	100	Fish breeding, operation of a fish hatchery and fish rearing
Marine Terrace Sdn. Bhd.	Malaysia	100	100	Fish rearing
Wullersdorf Resources Sdn. Bhd.	Malaysia	100	100	Mining
Held through Plentiful Harvest Sdn. Bhd.				
Plentiful Earnings Sdn. Bhd.	Malaysia	100	100	Fish rearing
Salient Horizon Sdn. Bhd.	Malaysia	100	100	Dormant

17. INVESTMENTS IN SUBSIDIARY COMPANIES (CONT'D)

Movement in the impairment account is as follows:

	Company RM
At 1 April 2018/31 March 2019	63,123,733
Charge for the financial year (Note 11)	2,753,133
At 31 March 2020	65,876,866

18. BIOLOGICAL ASSETS

(a) **Biological assets (Non-current)**

Group

At cost	**Fish broodstock RM**	**Crab broodstock RM**	**Total RM**
At 1 April 2018	1,054,361	–	1,054,361
Additions	–	–	–
Amortisation charge for the financial year (Note 8)	(390,254)	–	(390,254)
Fatalities charge (Note 8)	(10,738)	–	(10,738)
Transfer to frozen products	(1,493)	–	(1,493)
At 31 March 2019	651,876	–	651,876
Additions	32,159	156,518	188,677
Amortisation charge for the financial year (Note 8)	(351,945)	(53,258)	(405,203)
Impairment (Note 8)	(51,082)	–	(51,082)
Fatalities charge (Note 8)	(281,008)	(50,002)	(331,010)
At 31 March 2020	–	53,258	53,258

As highlighted below, the fair value of the biological assets is estimated by the Directors based on a fair value model for which the Group's expected yearly sales volume is 46,000kg against total fisheries livestocks of 2,996,151kg. Based on this level of expected sales, a significant portion of these livestocks cannot be fully sold over their expected reproductive lifespan, and for this reason, the fish broodstock has been fully impaired.

18. BIOLOGICAL ASSETS (CONT'D)

(b) **Biological assets (Current)**

Group

	Fishery livestocks At fair value less costs to sell RM	Fishfry At cost RM	Crab At cost RM	Total RM
At 1 April 2018	154,178,902	2,025,538	–	156,204,440
Additions/Cost capitalised	15,478,212	5,504,837	–	20,983,049
Fatalities charge (Note 8)	–	(2,137,800)	–	(2,137,800)
Sales	(6,615,755)	(612,311)	–	(7,228,066)
Fair value loss	(10,960,447)	–	–	(10,960,447)
Unrealised gain	(401,600)	–	–	(401,600)
At 31 March 2019	151,679,312	4,780,264	–	156,459,576
Additions/Cost capitalised	12,433,551	7,155,202	393,714	19,982,467
Fatalities charge (Note 8)	–	(11,739,600)	–	(11,739,600)
Sales	(1,581,129)	(96,277)	–	(1,677,406)
Fair value loss	(161,052,072)	–	–	(161,052,072)
Reversal of prior year unrealised gain	401,600	–	–	401,600
At 31 March 2020	1,881,262	99,589	393,714	2,374,565

	Group 2020 RM	Group 2019 RM
Representing:		
Non-current	53,258	651,876
Current	2,374,565	156,459,576
	2,427,823	157,111,452

The Group has sold 5,358 tails/55,687kg (2019: 61,483 tails/240,442kg) of fishery livestocks during the financial year. The fair value of the fishery livestocks is estimated by the Directors based on a fair value model that present values the future cash flows from sales less the cost of rearing the entire fishery livestocks. This model that based on low levels of expected sales and selling prices has resulted in a significant decrease in the fair value of fishery livestocks as present value of the future cash flows from the cost of rearing the fishery livestocks would gradually exceed the revenue from sales of fishery livestocks with the decline in sales volume and selling price, which results in a highly volatile fair value model as highlighted below in the relationship of the unobservable inputs to changes in fair value, and which resulted in the reduction in the fair value less costs to sell of the fishery livestocks from RM151,679,312 at 31 March 2019 to RM1,881,262 at 31 March 2020.

18. BIOLOGICAL ASSETS (CONT'D)

The fair value measurement is categorised as level 3 fair value hierarchy, for which there were no transfers between the levels during the financial year. The following table summarises the quantitative information about the significant observable/unobservable inputs used in Level 3 fair value measurements:

	2020	2019
Description of observable/ unobservable inputs		
Tails of fishes (number)	624,222	656,319
Weight of fishes	5,062,462kg	5,280,430kg
Mortality rates	0.01% to 4.87%	0.03% to 10.63%
Price per kg	RM20 to RM50	RM52 to RM151
Expected yearly sales volume	46,000kg	310,000kg
Discount rates	10.05%	12.10%

The relationship of the unobservable inputs to changes in fair value, with all other variables held constant is as follows:

		Fair value changes			
		2020		2019	
	Changes in input	Increase RM	Decrease RM	Increase RM	Decrease RM
Mortality rate	1%	5,137,557	1,024,285	7,755,796	3,795,249
Price per kg	RM10	3,756,039	3,756,029	15,636,441	15,636,441
Sales volume	10,000kg	4,326,642	4,326,642	6,339,992	6,344,816
Discount rate	1%	134,934	156,001	8,905,079	10,038,214

These biological assets are located in Lahad Datu which require a temporary occupation license with the relevant authorities, which has expired on 25 February 2019 and the Company is in the process of renewing this license. As at the date of approval of these financial statements, the renewal has yet to be approved by the authorities and in the event that the license renewal is not approved, there will be significant disruptions to the business operations of the Company and likely substantial expense and losses to be incurred. However, no provision has been made in this respect as the Directors are of the opinion that the likelihood of non-approval of the license renewal is remote.

19. INVENTORIES

Cost	Group 2020 RM	Group 2019 RM
Chemicals	1,494,022	1,081,430
Crusher run	480,831	530,868
Feeds	142,047	110,585
Frozen products	132,484	133,069
Fuel and oil	457,041	311,981
Good in transit	1,217,559	370,451
	3,923,984	2,538,384
Less: Impairment of slow-moving inventories (Note 8)	(480,831)	–
	3,443,153	2,538,384

The amount of inventories recognised as an expense in cost of sales of the Group was RM24,402,453 (2019: RM3,309,390).

20. TRADE AND OTHER RECEIVABLES

Non-current	Group 2020 RM	Group 2019 RM	Company 2020 RM	Company 2019 RM
Amount due from subsidiary company	–	–	48,973,539	48,973,539
Less: Fair value adjustment				
At 1 April	–	–	–	3,309,829
Charge for the financial year	–	–	–	(3,309,829)
At 31 March	–	–	48,973,539	48,973,539
Less: Allowance for impairment	–	–	(48,973,539)	(48,973,539)
Trade and other receivables (non-current)	–	–	–	–

Current	Group 2020 RM	Group 2019 RM	Company 2020 RM	Company 2019 RM
Trade receivables				
- Related parties	–	300,222	–	–
- Third parties	23,171,696	42,813,664	–	–
	23,171,696	43,113,886	–	–
Less: Allowance for impairment	(20,856,331)	(20,074,085)	–	–
Trade receivables, net	2,315,365	23,039,801	–	–
Amounts due from subsidiary companies	–	–	68,141,702	68,120,132
Less: Allowance for impairment	–	–	(68,141,702)	(58,305,041)
Amounts due from subsidiary companies, net	–	–	–	9,815,091

20. TRADE AND OTHER RECEIVABLES (CONT'D)

	Group		Company	
	2020 RM	2019 RM	2020 RM	2019 RM
Other receivables				
Deposits	859,793	1,601,227	500	500
Prepayments	501,224	915,303	21,000	21,000
Other receivables				
- Third parties	611,470	1,793,818	–	26,938
	1,972,487	4,310,348	21,500	48,438
Less: Allowance for impairment	(56,279)	–	–	–
Other receivables, net	1,916,208	4,310,348	21,500	48,438
Trade and other receivables (current)	4,231,573	27,350,149	21,500	9,863,529
Total trade and other receivables	4,231,573	27,350,149	21,500	9,863,529

Amounts due from subsidiary companies and related parties are unsecured, interest free and repayable on demand.

Trade receivables are non-interest bearing and the normal credit terms granted by the Group are 30 to 270 days (2019: 30 to 270 days). They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The ageing analysis of the Company's trade receivables as at the reporting date is as follows:

2020	Gross amount RM	Expected credit losses RM	Carrying value RM
Not past due	152,968	(32,640)	120,328
Past due:			
- less than 30 days	4,230	(1,560)	2,670
- between 31 to 60 days	2,118,536	(1,908,164)	210,372
- between 61 to 90 days	2,549,632	(2,296,453)	253,179
- more than 90 days	18,346,330	(16,617,514)	1,728,816
	23,018,728	(20,823,691)	2,195,037
	23,171,696	(20,856,331)	2,315,365

Notes To The Financial Statements
(Cont'd)

20. TRADE AND OTHER RECEIVABLES (CONT'D)

The ageing analysis of the Company's trade receivables as at the reporting date is as follows: (Cont'd)

2019	Gross amount RM	Expected credit losses RM	Carrying value RM
Not past due	11,305,181	(4,905,457)	6,399,724
Past due:			
- less than 30 days	1,147,014	(449)	1,146,565
- between 31 to 60 days	1,428,648	(8,683)	1,419,965
- between 61 to 90 days	3,906,970	(924)	3,906,046
- more than 90 days	25,326,073	(15,158,572)	10,167,501
	31,808,705	(15,168,628)	16,640,077
	43,113,886	(20,074,085)	23,039,801

Impairment for trade receivables is measured at an amount equal to lifetime excepted credit loss. The expected credit losses on trade receivables includes both individual impairment for those that show objective evidence of impairment (stage 3 loss) and collective impairment (stage 2 loss). Collective impairment has been provided using the provisional matrix based on historical loss experience of the Company with reference to past due status of the debtor, as follows:

	Expected credit loss rates 2020	2019
Not past due	20% - 90%	30% - 43%
Past due:		
- less than 30 days	37% - 90%	30% - 43%
- between 31 to 60 days	44% - 90%	30% - 43%
- between 61 to 90 days	51% - 90%	30% - 43%
- more than 90 days	91% - 90%	30% - 43%

The expected credit loss rates are based on the historical loss rates experienced by each entity in the Group as adjusted for forward looking element as necessary. For other receivables including amounts due from subsidiary companies, a lifetime expected credit loss is assessed for those counterparties that show significant increase in credit risk as at the end of the reporting period, and impairment made based on objective evidence of impairment.

20. TRADE AND OTHER RECEIVABLES (CONT'D)

During the financial year, the following losses were recognised in profit or loss in relation to impaired financial assets:

Group	**Trade receivables RM**	**Other receivables RM**	**Total RM**
At 1 April 2019	19,959,098	–	19,959,098
Charge for the financial year (Note 7)	114,987	–	114,987
At 31 March 2019	20,074,085	–	20,074,085
Charge for the financial year (Note 7)	21,201,151	56,279	21,257,430
Written off	(20,418,905)	–	(20,418,905)
At 31 March 2020	20,856,331	56,279	20,912,610

Company

	Amounts due from subsidiary companies RM
At 1 April 2019	100,095,655
Charge for the financial year (Note 7)	7,182,925
At 31 March 2019	107,278,580
Charge for the financial year (Note 7)	9,836,661
At 31 March 2020	117,115,241

Information about the Group's exposure to credit risks and impairment losses for trade receivables is included in 32 to the financial statements.

21. CASH AND BANK BALANCES

	Group		**Company**	
	2020 RM	**2019 RM**	**2020 RM**	**2019 RM**
Cash in hand	359	39,913	–	–
Cash at banks	7,451,120	9,661,570	3,283	488,867
Deposits with licensed banks	1,692,000	1,592,000	–	–
Cash and bank balances	9,143,479	11,293,483	3,283	488,867
Bank overdrafts (Note 25)	(5,878,756)	(6,069,644)	–	–
Less: Deposits with licensed banks with maturity of more than three (3) months	(1,692,000)	(1,592,000)	–	–
Cash and cash equivalents	1,572,723	3,631,839	3,283	488,867

21. CASH AND BANK BALANCES (CONT'D)

Cash at banks earn interest at floating rates based on daily bank deposit rates.

The weighted average effective interest rate of deposits with licensed banks at the end of the financial year of the Group is 3.63% (2019: 3.62%) per annum.

Deposits with licensed banks amounting to RM1,600,000 (2019: RM1,500,000) are held under lien as security for bank overdraft facility granted to the Group and have a maturity of 365 days (2019: 365 days).

Deposits with licensed banks of the Group amounting to RM92,000 (2019: RM92,000) are held under lien for bank guarantee facilities in favour of Sabah Electricity Sdn. Bhd., Royal Malaysian Customs Department and Sabah Ports Sdn. Bhd.

22. SHARE CAPITAL AND PREMIUM

	No. of shares		Group/Company	
Issued and paid up:	**2020**	**2019**	**2020 RM**	**2019 RM**
Ordinary shares				
At 1 April	1,223,240,860	605,038,000	283,582,635	98,985,252
Issued during the financial year:				
- exercise of Employees Share Option Scheme ("ESOS")	1,821,200	7,464,530	730,920	4,709,586
- bonus shares	–	610,738,330	–	61,073,833
Transition to no par value regime under Companies Act 2016 in Malaysia	–	–	–	118,813,964
At 31 March	1,225,062,060	1,223,240,860	284,313,555	283,582,635

	Group/Company		
	Share capital RM	**Share premium RM**	**Total share capital and share premium RM**
At 1 April 2018	98,985,252	179,887,797	278,873,049
Issued during the financial year:			
- exercise of Employees Share Option Scheme ("ESOS")	4,709,586	–	4,709,586
- bonus shares	61,073,833	(61,073,833)	–
Transition to no par value regime under Companies Act 2016 in Malaysia	118,813,964	(118,813,964)	–
At 31 March 2019	283,582,635	–	283,582,635
Issued during the financial year:			
- exercise of Employees Share Option Scheme ("ESOS")	730,920	–	730,920
At 31 March 2020	284,313,555	–	284,313,555

22. SHARE CAPITAL AND PREMIUM (CONT'D)

(a) Share capital

During the financial year, the issued and paid-up capital of the Company increased from RM283,582,635 to RM284,313,555 by way of issuance of new ordinary shares of RM730,920 arising from exercise of ESOS.

The new ordinary shares rank pari passu in all respects with the existing ordinary shares of the Company except that the new ordinary shares so allotted and issued will not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid, the entitlement date of which precedes the date of issuance of such new ordinary shares.

The holders of all other ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per share without restrictions at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

(b) Warrants 2017/2024

By virtue of a Deed Poll executed on 2 August 2017 for the 299,997,878 issued in conjunction with the Bonus Issue of free warrants allotted, each Warrant 2017/2024 entitles the registered holder the right at any time during the exercise period from 21 August 2017 to 20 August 2024 to subscribe for One (1) new ordinary share in the Company at an exercise price of RM0.87 per share.

The salient features of the Warrants 2017/2024 are as follows:

(i) Entitles its registered holder for one (1) free Warrant for every two (2) existing ordinary shares held.

(ii) Each Warrant entitles the registered holder to subscribe for one (1) new ordinary share at the exercise price at any time during the exercise period.

(iii) The warrants may be exercised at any time on or before the expiry date falling Seven (7) years (2017/2024) from the date of issue of the warrants on 21 August 2017. Warrants not exercised at the expiry of the exercise period will cease to be valid for any purpose and will be deemed to have lapsed.

(iv) The warrants shall as between the warrant holders rank pari passu and rateably in all aspects amongst themselves.

(v) The new shares to be issued arising from the exercise of the exercise rights represented by the warrants, shall upon allotment and issuance rank equally in all respects with the existing ordinary shares, save and except that the new shares will not be entitled to any dividend, right, allotment and/or any other forms of distribution where the entitlement date of such dividend, right, allotment and/or any other forms of distribution precedes the relevant date of allotment and issuance of the new shares.

In accordance with the provisions under the Deed Poll - Warrants 2017/2024 and consequential to the Bonus Issue, an additional 299,997,878 Warrants 2017/2024 were listed and quoted on the ACE Market of Bursa Malaysia Securities Berhad on 11 December 2018. The exercise price for the Warrants 2017/2024 was revised from RM0.87 to RM0.43.

22. SHARE CAPITAL AND PREMIUM (CONT'D)

	At 1.4.2019	Exercised	Lapsed	At 31.3.2020
Warrants 2017/2024	599,995,756	–	–	599,995,756

	At 1.4.2018	Effect of bonus issue	Exercised	Lapsed	At 31.3.2019
Warrants 2017/2024	299,997,878	299,997,878	–	–	599,995,756

23. OTHER RESERVE

	Group/Company Employees' share options ("ESOS") reserve	
	2020 RM	2019 RM
At 1 April/31 March	10,814,857	10,814,857

Employees' share options ("ESOS") reserve

The share options reserve comprises the cumulative value of employee services received for the issue of share options. When the option is exercised, the amount from the share option reserve is transferred to retained profits. When the share options expire, the amount from the share option reserve is transferred to retained profits. Share options are disclosed in Note 9 to the financial statements.

24. (ACCUMULATED LOSSES)/RETAINED PROFITS

The Group's and the Company's policy is to treat all gains and losses that pass through the statement of comprehensive income (i.e. non-owner transactions or events) as revenue reserves. Other than retained profits, all other revenue reserves are regarded as non-distributable in the form of cash dividends to shareholders. Accumulated losses is the opposite of retained profits and when an entity is in an accumulated loss position, it is prohibited from distributing cash dividends to shareholders.

25. LOANS AND BORROWINGS

	Group	
	2020	**2019**
Current	**RM**	**RM**
Secured:		
Bank overdrafts	5,878,756	6,069,644
Hire purchase payables	5,083,557	2,962,471
Revolving credit	–	500,000
Term loan	–	5,031,620
Unsecured:		
Lease liabilities	47,668	–
	11,009,981	14,563,735
Non-current		
Secured:		
Hire purchase payables	10,145,332	7,020,226
Unsecured:		
Lease liabilities	996,487	–
	11,141,819	7,020,226
Total loans and borrowings		
Secured:		
Bank overdrafts (Note 21)	5,878,756	6,069,644
Hire purchase payables	15,228,889	9,982,697
Revolving credit	–	500,000
Term loan	–	5,031,620
Unsecured:		
Lease liabilities	1,044,155	–
	22,151,800	21,583,961

Maturity structure of loans and borrowings

Within one year	11,009,981	14,563,735
Between one to two years	4,344,267	3,286,529
Between two to five years	5,938,005	3,733,697
More than five years	859,547	–
	22,151,800	21,583,961

25. LOANS AND BORROWINGS (CONT'D)

The interest rate structures are as follows:

	Effective interest rate	
	2020	**2019**
Bank overdrafts	5.87% - 7.76%	6.32% - 8.41%
Hire purchase payables	4.52% - 7.36%	4.52% - 7.36%
Revolving credit	–	7.03%
Term loan	–	11.00%
Lease liabilities	5%	–

	Group	
Hire purchase payables	**2020 RM**	**2019 RM**
Future minimum hire purchase payments:		
Repayable within one year	5,981,182	3,545,625
Repayable within one to two years	4,865,224	3,649,779
Repayable between two to five years	6,247,472	3,968,586
	17,093,878	11,163,990
Less: Future finance charges	(1,864,989)	(1,181,293)
Present value of hire purchase liabilities	15,228,889	9,982,697
Present value of hire purchase liabilities:		
Repayable within one year	5,083,557	2,962,471
Repayable within one to two years	4,294,178	3,286,529
Repayable between two to five years	5,851,154	3,733,697
	15,228,889	9,982,697

The hire purchase payables shall be repaid in full by 2024.

Lease liabilities	**2020 RM**	**2019 RM**
Future minimum lease liability payments:		
Repayable within one year	96,000	–
Repayable within one to two years	96,000	–
Repayable between two to five years	213,000	–
Repayable after five years	1,410,000	–
	1,815,000	–
Future interest expense on lease liabilities	(770,845)	–
	1,044,155	–

25. LOANS AND BORROWINGS (CONT'D)

Lease liabilities (Cont'd)	2020 RM	2019 RM
Present value of lease liabilities:		
Repayable within one year	47,668	–
Repayable within one to two years	50,089	–
Repayable between two to five years	86,851	–
Repayable after five years	859,547	–
	1,044,155	–

The lease liability shall be repaid in full by 2048.

The loans and borrowings are secured by the followings:

Bank overdrafts

(i) Legal charge and debenture over all the fixed and floating, present and future assets of a subsidiary company, namely, Plentiful Harvest Sdn. Bhd.;
(ii) corporate guarantee by the Company;
(iii) 80% guarantee on RM500,000 by the Government of Malaysia; and
(iv) joint and several guarantees by Directors of a subsidiary company, namely, Plentiful Harvest Sdn. Bhd.

26. DEFERRED INCOME

	Group	
	2020 RM	2019 RM
Government grant	8,756,300	8,756,300
Less: Accumulated amortisation		
At 1 April	5,618,626	4,742,996
Amortisation for the financial year (Note 6)	875,630	875,630
At 31 March	6,494,256	5,618,626
Carrying value	2,262,044	3,137,674

On 5 September 2012, one of the subsidiary companies, namely, Plentiful Harvest Sdn. Bhd. entered into an agreement with Ministry of Agriculture & Agro-based Industry Malaysia to receive a government grant of RM24,846,000 (revised to RM12,509,000 pursuant to supplementary agreement dated 3 April 2019) which is conditional upon its construction of hatchery and nursery centres. The grant is amortised over the useful life of the buildings. During the financial year, RM875,630 (2019: RM875,630) has been amortised and recognised as other operating income in the Statements of Profit or Loss and Other Comprehensive Income.

27. DEFERRED TAX LIABILITIES

	Group	
	2020 RM	2019 RM
At 1 April	22,300,009	25,700,701
Transfer to profit or loss (Note 13)	(22,248,558)	(3,400,692)
At 31 March	51,451	22,300,009

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

	Group	
Deferred tax assets	2020 RM	2019 RM
Unabsorbed capital allowances	–	(12,026,118)
Unutilised tax losses	–	(7,103,150)
	–	(19,129,268)
Deferred tax liabilities		
Plant and equipment	214,377	14,214,028
Biological assets	–	97,831,943
	214,377	92,916,703
Tax rate	24%	24%
Deferred tax liabilities recognised	51,451	22,300,009

No deferred tax asset has been recognised for the following items:

	Group	
	2020 RM	2019 RM
Biological assets	89,098,044	–
Plant and equipment	(11,432,014)	(4,427,629)
Unabsorbed capital allowances	25,880,408	14,577,478
Unutilised tax losses	49,452,583	4,196,293
	152,999,021	14,346,142
Tax rate	24%	24%
Deferred tax assets not recognised	36,719,765	3,443,074

The unabsorbed capital allowances disclosed above are available indefinitely for offsetting against future taxable profits of the Group whereas the unutilised losses is available to be carried forward up to the maximum of seven (7) years, subject to no substantial change in shareholdings under the Income Tax Act, 1967 and guidelines issued by the tax authority.

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits.

28. TRADE AND OTHER PAYABLES

	Group		Company	
	2020	2019	2020	2019
Trade payables	RM	RM	RM	RM
Third parties	9,942,966	4,617,422	–	–
Related party	177,851	–	–	–
	10,120,817	4,617,422	–	–
Other payables				
Accruals	3,812,634	2,696,056	93,400	133,333
Amounts due to Directors	369,808	287,813	–	–
Advance payments from customers	4,000,000	–	–	–
Deposit payable	–	4,000	–	–
Other payables				
- Third parties	1,983,364	1,865,367	73,949	101,207
- Related parties	7,317	5,103	–	–
	10,173,123	4,858,339	167,349	234,540
Amount due to a subsidiary company	–	–	4,890,010	5,258,799
Total trade and other payables	20,293,940	9,475,761	5,057,359	5,493,339

Trade and other payables are non-interest bearing and the normal credit terms granted to the Group are two (2) months and six (6) months respectively.

Amounts due to Directors, related parties and a subsidiary Company are unsecured, interest free and repayable on demand.

29. SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) Identities of related parties

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

29. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D)

(b) Related parties' transactions and outstanding balances

The aggregate value of transactions and outstanding balances of the related parties of the Group and the Company were as follows:

				Balance outstanding as at 31 March	
Name of related parties	**Type of transactions**	**2020 RM**	**2019 RM**	**2020 RM**	**2019 RM**
Group					
Companies with common Directors:					
Giant Grouper Retail Chain (Sabah) Sdn. Bhd.	Impairment on receivable	300,222	–	–	300,222
	Sale of frozen products	–	(209,992)		
	Settlement of accounts	–	234,500		
Southsea Gold Sdn. Bhd.	Land lease/Rental of land	60,000	60,000	(7,317)	(5,103)
	Settlement of accounts	(57,786)	(77,426)		
Company in which a person connected to certain Directors of the Company has financial interests:					
Yu Tian Seafood Trading	Purchase of adult fish	3,980,067	–	(177,851)	–
	Settlement of accounts	(3,802,216)	–		
Directors of the Company:					
Akinori Hotani	Breeding commission	50,401	47,059	(56,982)	(8,701)
	Payment of accounts	(262,438)	(120,966)		
	Payment on behalf	260,318	69,733		
Dato' Sri Dr. Md Kamal Bin Bilal	Settlement of accounts	–	1,300,000	–	–
	Share options exercised	–	(1,300,000)		
Datuk Lo Fui Ming	Payment of accounts	(1,577,093)	(6,098,591)	(212,961)	(191,044)
	Payment on behalf	1,599,010	6,269,528		
	Settlement of accounts	–	44,327		
	Share options exercised	–	(44,310)		
Lo Teck Yong	Payment of accounts	(41,204)	(86,949)	(99,865)	(88,068)
	Payment on behalf	53,001	218,481		
	Settlement of accounts	–	180,446		
	Share options exercised	–	(227,605)		

29. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D)

(b) Related parties' transactions and outstanding balances (Cont'd)

The aggregate value of transactions and outstanding balances of the related parties of the Group and the Company were as follows: (Cont'd)

Name of related parties	Type of transactions	2020 RM	2019 RM	Balance outstanding as at 31 March 2020 RM	Balance outstanding as at 31 March 2019 RM
Group					
Person connected with certain Directors of the Company:					
Lo Choon Fung @ Michelle	Advances	472	110,000	–	–
	Payment of account	(31,980)	(124,482)		
	Payment on behalf	31,508	14,069		
	Settlement of accounts	–	32,200		
	Share options exercised	–	(32,200)		
Company					
Subsidiary companies:					
Marine Terrace Sdn. Bhd.	Advances	1	393	(4,890,011)	(5,258,799)
	Contra of account	374,205	5,059,306		
	Payment on behalf	(742,994)	(61)		
Plentiful Earnings Sdn. Bhd.	Advances	3	600,167	–	–
	Contra of account	(3)	(150,064)		
	Payment on behalf	–	(450,103)		
Plentiful Harvest Sdn. Bhd.	Advances	223,503	2,136,618	–	3,764,560
	Allowance for impairment on amounts due from subsidiary companies	11,817,372	9,061,188		
	Contra of account	(410,460)	(6,605,394)		
	Fair value adjustment	–	(3,309,829)		
	Payment on behalf	(7,865,855)	(3,552,182)		

29. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D)

(b) Related parties' transactions and outstanding balances (Cont'd)

The aggregate value of transactions and outstanding balances of the related parties of the Group and the Company were as follows: (Cont'd)

				Balance outstanding as at 31 March	
Name of related parties	**Type of transactions**	**2020 RM**	**2019 RM**	**2020 RM**	**2019 RM**
Company					
Salient Horizon Sdn. Bhd.	Advances	3,836	3,841	–	–
	Contra of account	6,732	912,173		
	Payment on behalf	(10,568)	(916,014)		
Wullersdorf Resources Sdn. Bhd.	Advances	8,001,717	2,352,440	–	6,050,531
	Contra of account	29,525	783,979		
	Payment on behalf	–	(3,210,000)		
	Reversal of impairment	(1,980,711)	(1,878,263)		
Directors of the Company:					
Dato' Sri Dr. Md Kamal Bin Bilal	Settlement of accounts	–	1,300,000	–	–
	Share options exercised	–	(1,300,000)		
Datuk Lo Fui Ming	Payment of account	–	(23)	–	–
	Settlement of accounts	–	44,327		
	Share options exercised	–	(44,310)		
Lo Teck Yong	Payment of account	(1,253)	(11)	–	–
	Payment on behalf	1,253	47,170		
	Settlement of accounts	–	180,446		
	Share options exercised	–	(227,605)		
Person connected with certain Directors of the Company:					
Lo Choon Fung @ Michelle	Payment of account	(400)	(11,998)	–	–
	Payment on behalf	400	11,998		
	Settlement of accounts	–	32,200		
	Share options exercised	–	(32,200)		

29. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D)

(c) Compensation of key management personnel

The remuneration of Directors and other members of key management during the financial year was as follows:

	Group		Company	
	2020 RM	**2019 RM**	**2020 RM**	**2019 RM**
Short-term employee benefits	2,136,000	2,147,000	276,000	289,000
Other emoluments	232,733	223,290	10,000	11,000
Commissions	50,401	47,059	–	–
	2,419,134	2,417,349	286,000	300,000

	Group		Company	
	2020 RM	**2019 RM**	**2020 RM**	**2019 RM**
Included in the key management personnel are:				
Directors' remuneration	1,807,735	1,728,598	286,000	300,000
Key management personnels' remuneration	611,399	688,751	–	–
	2,419,134	2,417,349	286,000	300,000

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. The key management personnel comprise all the Directors of the Group and of the Company and members of senior management of the Group.

The terms and conditions and prices of the above transactions are mutually agreed between the parties.

30. FINANCIAL GUARANTEES

The fair value of financial guarantees provided by the Company to the banks to secure banking facilities granted to a subsidiary company and the Group to certain third parties with nominal amount of RM18,258,750 (2019: RM21,583,961) are negligible as the probability of the financial guarantees being called upon is remote.

31. COMMITMENTS

(a) Capital commitments

	Group	
	2020 RM	**2019 RM**
<u>Property, plant and equipment</u>		
Authorised and contracted for		
- Acquisition of machineries and moveable equipment	1,445,400	3,457,658
- Construction of processing plants	980,726	–
	2,426,126	3,457,658

31. COMMITMENTS (CONT'D)

(b) Operating lease commitments

The Group has entered into operating lease agreements for the sublease land, rental of office and quarter. The leases run from one (1) year period to thirty-three (33) years period. The sublease land with lease commitment of RM1,770,000 as at 31 March 2019 has been recognised as a right-of-use asset upon initial application of MFRS 16 on 1 April 2019 as disclosed in Note 2(c).

As at the end of the reporting period, lease commitments in respect of the rental of properties are as follows:

	2020 RM	2019 RM
Within one year	–	177,054
Between one to two years	–	154,248
Between two to five years	–	212,400
After five years	–	1,470,000
	–	2,013,702

32. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

	Group		Company	
Financial assets	**2020 RM**	**2019 RM**	**2020 RM**	**2019 RM**
Measured at amortised cost				
Trade and other receivables	3,730,349	26,434,846	500	9,842,529
Cash and bank balances	9,143,479	11,293,483	3,283	488,867
Total financial assets	12,873,828	37,728,329	3,783	10,331,396
Financial liabilities				
Measured at amortised cost				
Loans and borrowings	22,151,800	21,583,961	–	–
Trade and other payables	20,293,940	9,475,761	5,057,359	5,493,339
Total financial liabilities	42,445,740	31,059,722	5,057,359	5,493,339

A reconciliation of trade and other receivables financial assets to the amounts reflected in the Statements of Financial Position is as follows:

	Group		Company	
Trade and other receivables	**2020 RM**	**2019 RM**	**2020 RM**	**2019 RM**
As reflected in the Statements of Financial Position (Note 20)	4,231,573	27,350,149	21,500	9,863,529
Less: Prepayment	(501,224)	(915,303)	(21,000)	(21,000)
Financial assets measured at amortised cost	3,730,349	26,434,846	500	9,842,529

32. FINANCIAL INSTRUMENTS (CONT'D)

(b) **Financial risk management**

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Group's finance department overseen by an Executive Director. The audit committee provides independent oversight to the effectiveness of the risk management process.

It is, and has been throughout the current and previous financial year, the Group's policy that no derivatives shall be undertaken.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(i) **Credit risk**

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis.

It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. For transactions that do not occur in the country of the relevant operating unit, the Group does not offer credit terms without the approval of Managing Director.

As at the reporting date, the Group's maximum exposure to credit risk is represented by:

- the carrying amount of each class of financial assets recognised in the Statements of Financial Position; and
- a nominal amount of RM18,258,750 (2019: RM21,583,961) relating to financial guarantees as disclosed in Note 30.

Credit risk concentration profile

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

	2020		**2019**	
	RM	**% of total**	**RM**	**% of total**
Malaysia	133,660	6%	863,622	6%
Hong Kong	2,181,705	94%	22,176,179	94%
	2,315,365	100%	23,039,801	100%

As at reporting date, the Group has significant concentration of credit risk in the form of outstanding balances due from 2 (2019: 4) customers representing 94% (2019: 94%) of total trade receivables.

32. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

As part of its overall liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities at a reasonable level to its overall debt position. As far as possible, the Group raises committed funding from financial institutions and balances its portfolio with some short term funding so as to achieve overall cost effectiveness.

Analysis of financial instruments by remaining contractual maturities

The following table sets out the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):

Group **2020**	**Carrying amount RM**	**Contractual undiscounted cashflows RM**	**Within One (1) year RM**	**One (1) to Five (5) years RM**	**Over Five (5) years RM**
Financial liabilities					
Trade and other payables	20,293,940	20,293,940	20,293,940	–	–
Loans and borrowings					
- Bank overdrafts	5,878,756	5,878,756	5,878,756	–	–
- Hire purchase payables	15,228,889	17,093,878	5,981,182	11,112,696	–
- Lease liabilities	1,044,155	1,815,000	96,000	309,000	1,410,000
Total financial liabilities	42,445,740	45,081,574	32,249,878	11,421,696	1,410,000

Group **2019**	**Carrying amount RM**	**Contractual undiscounted cashflows RM**	**Within One (1) year RM**	**One (1) to Five (5) years RM**	**Over Five (5) years RM**
Financial liabilities					
Trade and other payables	9,475,761	9,475,761	9,475,761	–	–
Loans and borrowings					
- Bank overdrafts	6,069,644	6,069,644	6,069,644	–	–
- Hire purchase payables	9,982,697	11,163,990	3,545,625	7,618,365	–
- Revolving credit	500,000	500,000	500,000	–	–
- Term loan	5,031,620	5,031,620	5,031,620	–	–
Total financial liabilities	31,059,722	32,241,015	24,622,650	7,618,365	–

32. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(ii) Liquidity risk(Cont'd)

Analysis of financial instruments by remaining contractual maturities (Cont'd)

Company 2020	Carrying amount RM	Contractual undiscounted cashflows RM	Within One (1) year RM	One (1) to Five (5) years RM	Over Five (5) years RM
Financial liabilities					
Trade and other payables	5,057,359	5,057,359	5,057,359	–	–
Financial guarantee*	–	18,258,750	18,258,750	–	–
	5,057,359	23,316,109	23,316,109	–	–

Company 2019	Carrying amount RM	Contractual undiscounted cashflows RM	Within One (1) year RM	One (1) to Five (5) years RM	Over Five (5) years RM
Financial liabilities					
Trade and other payable	5,493,339	5,493,339	5,493,339	–	–
Financial guarantee*	–	21,583,961	21,583,961	–	–
	5,493,339	27,077,300	27,077,300	–	–

* The maximum amount of the issued financial guarantee contracts is allocated to the earliest period in which the guarantee could be called.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's exposure to interest rate risk arises mainly from its loans and borrowings. The Group's policy is to manage interest cost using a mix of fixed and floating rate debts.

The following table details the sensitivity analysis to a reasonably possible change in the interest rates as at the end of the reporting period, with all other variables held constant:

Effects on profit after taxation	Increase/(Decrease) 2020 RM	 2019 RM
Increase of 25bp (2019: 25bp)	(11,351)	(12,596)
Decrease of 25bp (2019: 25bp)	11,351	12,596

32. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(iv) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in foreign exchange rate.

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than Ringgit Malaysia (RM). The currencies giving rise to this risk are primarily Renminbi (RMB), Hong Kong Dollar (HKD), and United States Dollar (USD).

Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level.

The net unhedged financial assets and financial liabilities of the Group that are not denominated in their functional currencies are as follows:

2020	Renminbi RM	Hong Kong Dollar RM	United States Dollar RM	Total RM
Financial assets				
Trade and other receivables	2,181,705	–	–	2,181,705
Cash and bank balances	–	26,430	–	26,430
	2,181,705	26,430	–	2,208,135
Financial liabilities				
Trade and other payables	(395,681)	(2,464)	(247,161)	(645,306)
Net financial assets/ (liabilities) held in non-functional currencies	1,786,024	23,966	(247,161)	1,562,829

2019	Renminbi RM	Hong Kong Dollar RM	United States Dollar RM	Total RM
Financial assets				
Trade and other receivables	22,176,179	–	–	22,176,179
Cash and bank balances	21,721	51,905	–	73,626
	22,197,900	51,905	–	22,249,805
Financial liabilities				
Trade and other payables	(393,020)	(27,476)	(594,219)	(1,014,715)
Net financial assets/ (liabilities) held in non-functional currencies	21,804,880	24,429	(594,219)	21,235,090

32. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(iv) Foreign currency risk (Cont'd)

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies as at the end of the reporting period, with all other variables held constant:

	Increase/(Decrease) 2020 RM	2019 RM
Effects on profit after taxation		
RMB/RM		
Strengthened by 5% (2019: 5%)	67,869	828,585
Weakened by 5% (2019: 5%)	(67,869)	(828,585)
HKD/RM		
Strengthened by 5% (2019: 5%)	911	928
Weakened by 5% (2019: 5%)	(911)	(928)
USD/RM		
Strengthened by 5% (2019: 5%)	(9,392)	(22,580)
Weakened by 5% (2019: 5%)	9,392	22,580

33. FAIR VALUE INFORMATION

The financial assets and financial liabilities maturing within the next twelve (12) months approximated their fair values due to the relatively short-term maturity of the financial instruments.

34. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares. The Group's strategies were unchanged from the previous financial year.

34. CAPITAL MANAGEMENT (CONT'D)

The gearing ratio of the Group and of the Company as at the end of the reporting period was as follows:

	Group		Company	
	2020 RM	**2019 RM**	**2020 RM**	**2019 RM**
Loans and borrowings	22,151,800	21,583,961	–	–
Less: Cash and bank balances	9,143,479	11,293,483	3,283	488,867
Net debt	13,008,321	10,290,478	–	–
Total equity	119,876,376	300,126,695	72,669,009	105,433,025
Gearing ratio	0.11	0.03	-	-

The gearing ratio is calculated as net debt divided by total equity. Net debt is calculated as borrowings less cash and cash equivalents.

The Group is not subject to any external capital requirements.

35. SEGMENT INFORMATION

(i) **Operating segment**

For management purposes, the Group is organised into business units based on products and services, and has two reportable operating segments as follows:

(a) Aquaculture operations

(b) Mining operations

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

35. SEGMENT INFORMATION (CONT'D)

(i) Operating segment (Cont'd)

	Aquaculture operations		Mining operations		Adjustments and elimination		Per consolidated financial statements	
	2020 RM	2019 RM	2020 RM	2019 RM	2020 RM	2019 RM	2020 RM	2019 RM
Revenue								
External customers	9,291,952	25,675,080	85,838,670	39,376,640	–	–	95,130,622	65,051,720
Results								
Depreciation and amortisation	5,342,931	6,052,542	27,225,389	7,188,817	7,303	(12,325)	32,575,623	13,229,034
Segment (loss)/profit	(231,924,649)	(9,851,793)	19,067,646	8,700,149	15,314,034	5,532,270	(197,542,969)	4,380,626
Assets								
Additions to non-current assets	1,542,721	311,178	18,248,623	14,538,565	–	–	19,791,344	14,849,743
Segment assets	108,665,931	332,821,067	67,382,870	53,024,744	(11,413,190)	(27,141,462)	164,635,611	358,704,349
Liabilities								
Segment liabilities	167,035,913	181,798,398	46,419,146	45,889,318	(168,695,824)	(169,110,062)	44,759,235	58,577,654

35. SEGMENT INFORMATION (CONT'D)

(i) Operating segment (Cont'd)

Notes on the nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements.

(a) There are no inter-segment revenues and transactions that needs to be eliminated on consolidation.

(b) Additions to non-current assets consist of:

	2020 RM	2019 RM
Property, plant and equipment	19,602,667	14,849,743
Biological assets	188,677	–
	19,791,344	14,849,743

(c) The following items are adjusted to segment assets to arrive at total assets reported in the consolidated Statement of Financial Position:

	2020 RM	2019 RM
Inter-segment assets	(11,413,190)	(27,141,462)
Depreciation	(16,070)	(16,070)
Amortisation of mineral rights	23,373	3,745
	(11,405,887)	(27,153,787)

(d) The following items are adjusted to segment liabilities to arrive at total liabilities reported in the consolidated Statement of Financial Position:

	2020 RM	2019 RM
Inter-segment liabilities	168,695,824	169,110,062

35. SEGMENT INFORMATION (CONT'D)

(ii) Geographical information

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

	Revenue		Non-current assets	
	2020 RM	2019 RM	2020 RM	2019 RM
Malaysia	87,230,685	40,857,473	144,083,060	160,903,881
Hong Kong	7,899,937	24,194,247	18,291	73,297
	95,130,622	65,051,720	144,101,351	160,977,178

Non-current assets information presented above consist of the following items as presented in the consolidated Statement of Financial Position:

	2020 RM	2019 RM
Property, plant and equipment	71,289,538	67,419,709
Intangible assets	72,758,555	92,905,593
Biological assets	53,258	651,876
	144,101,351	160,977,178

(iii) Major customers

Revenue from 5 (2019: 3) major customers amounted to RM93,738,607 (2019: RM57,491,240) arising from sale of adult fish, gold and silver.

36. CHANGES IN COMPARATIVE INFORMATION

Group

Statement of profit or loss and other comprehensive income	As previously reported RM	Adjustments RM (i)	RM (ii)	RM (iii)	RM (iv)	As restated RM
Cost of sales	(46,237,735)	10,960,447	–	2,137,800	–	(33,139,488)
Interest income	1,334	–	(1,334)	–	–	–
Other operating income	2,787,974	–	1,334	–	–	2,789,308
Fair value loss on biological assets	–	(10,960,447)	–	–	–	(10,960,447)
Impairment on financial assets	(114,987)	–	–	–	(11,428)	(126,415)
Other operating expenses	–	–	–	(2,137,800)	(3,630,079)	(5,767,879)
Administrative expenses	(9,050,270)	–	–	–	3,641,507	(5,408,763)

36. CHANGES IN COMPARATIVE INFORMATION (CONT'D)

(i) Fair value loss on biological assets was previously included within cost of sales and is now presented as a separate line item in statements of profit or loss and other comprehensive income to better reflect the nature of these transactions.

(ii) Interest income was previously presented separately and is now presented within other operating income to conform with current year presentation.

(iii) Fatality charges on fish fry was previously presented within cost of sales and is now presented within other operating expenses to conform with current year presentation.

(iv) Deposit written off, amortisation of mineral rights, amortisation of broodstocks, fatalities charges on broodstocks, and property, plant and equipment written off were previously presented within administrative expenses and are now presented within impairment on financial assets and other operating expenses respectively to conform with current year presentation.

Company

Statement of profit or loss and other comprehensive income	**As previously reported RM**	**Adjustment RM (i)**	**As restated RM**
Other operating expenses	–	(3,224,326)	(3,224,326)
Administrative expenses	(4,462,828)	3,224,326	(1,238,502)

(i) The amortisation of mineral rights was previously included within administrative expenses and is now presented within other operating expenses.

37. SIGNIFICANT EVENTS

The protests and social unrest in Hong Kong, and outbreak of coronavirus disease 2019 (COVID-19) had adversely impacted the Group's aquaculture operations during the financial year, especially relating to revenue, operating cash flows, fair value of biological assets and expected credit losses. The Group, which relied heavily on export sales of fishes to Hong Kong in the past where approximately 94% of its revenue from aquaculture operations was from export sales to Hong Kong during the financial year ended 31 March 2019, had been severely impacted by the protests and COVID-19, resulting in export sales of fishes reducing from RM24,194,247 for the financial year ended 31 March 2019 to RM7,899,937 for the financial year ended 31 March 2020, and for which there were zero export sales since June 2019. This resulted in the Group incurring a net loss of RM180,981,239 during the financial year ended 31 March 2020 and being in a net current liabilities position of RM10,769,661 as at 31 March 2020.

However, these events and conditions do not give rise to a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern, as arising from the Hong Kong protests and social unrest, and COVID-19 pandemic, the Group has changed its focus from aquaculture to mining operations, which is now the core business of the Group. The Group expects its gold mining operations to contribute further towards future earnings as the gold production is expected to increase as it focuses production to the epithermal veins from the topsoil currently, as their grades are higher than those extracted from the topsoil. The increasing trend of the market price for gold is also expected to bring about further positive impact to the cash flows of the Group. This is already demonstrated by the improvements in profit before taxation of the mining operations as disclosed in Note 35 and improvement in the overall cash flows from operating activities as disclosed in the statements of cash flows.

38. SUBSEQUENT EVENTS

Pursuant to Rule 8.04 and Guidance Note 3 ("GN3") of the ACE Market Listing Requirements ("ACELR") of Bursa Malaysia Securities Berhad ("Bursa") and letter from Bursa dated 16 April 2020 ("Letter") pertaining to further relief measures to listed corporations with unsatisfactory financial condition that triggers any of the criteria under GN3 of the ACELR ("Suspended Criteria") from 17 April 2020 to 30 June 2021 ("GN3 Relief Measures"), the Company has on 30 June 2020 triggered the Suspended Criteria where it has incurred loss in any one (1) full financial year commencing on or after its listing, which is equal to or exceed the amount of its shareholders' equity at the end of the said financial year and its shareholders' equity is equal to or less than 50% of its share capital at the end of the said financial year.

Under the GN3 Relief Measures, the Company will not be classified as a GN3 company and it is not required to comply with the obligations pursuant to Rule 8.04 and GN3 of the ACELR for a period of twelve (12) months from the date of triggering the suspended criteria.

LIST OF PROPERTIES

The summary of the information on landed properties owned by the Group is as follows:

Address	Description of Property / Existing Use	Status/ Registered Owner	Audited Net Book Value as at 31 March 2020 (RM)	Approximate age of Building (Years) / CF Status	Tenure / Expiry Date of Lease	Approximate Land Area / Approximate Total Built-up Area
CL 075402256 Airport Road, District of Sandakan, Sabah	A parcel of aquaculture land currently used for hatchery operation	Owned / Plentiful Harvest Sdn Bhd	60,658	N/A	99 years leasehold land expiring on 31.12.2080	1.494 ha
CL 075371087 Kampung Sungai Kayu, District of Sandakan, Sabah	A parcel of aquaculture land currently used for hatchery operation	Owned / Plentiful Harvest Sdn Bhd	451,136	N/A	99 years leasehold land expiring on 31.12.2078	13.38 acres
NT 073026472 Kampung Sungai Kayu, District of Sandakan, Sabah	A parcel of aquaculture land currently used for hatchery operation	Subleased / Datuk Lo Fui Ming	279,610	N/A	Sublease for 30 years expiring on 22.12.2035	5.26 ha
CL 075487053 Kampung Sungai Kayu, District of Sandakan, Sabah	A parcel of aquaculture land currently used for hatchery operation	Owned/ Plentiful Harvest Sdn Bhd	184,764	N/A	99 years leasehold land expiring on 31.12.2095	4.106 ha
CL 075382106 Kampung Sungai Kayu, District of Sandakan, Sabah	A parcel of aquaculture land currently used for hatchery operation	Owned / Plentiful Harvest Sdn Bhd	265,159	N/A	99 years leasehold land expiring on 31.12.2079	6.13 ha
CL 075375665 Kampung Sungai Kayu, District of Sandakan, Sabah	A parcel of aquaculture land currently used for hatchery operation	Owned / Plentiful Harvest Sdn Bhd	92,526	N/A	99 years leasehold land expiring on 31.12.2077	2.153 ha

List Of Properties
(Cont'd)

Address	Description of Property / Existing Use	Status/ Registered Owner	Audited Net Book Value as at 31 March 2020 (RM)	Approximate age of Building (Years) / CF Status	Tenure / Expiry Date of Lease	Approximate Land Area / Approximate Total Built-up Area
TL 077537092 Lot 4, Block E, Bandar Nam Tung, Jalan Leila, 90000, Sandakan, Sabah	An intermediate 4-storey shophouse currently used for as Headoffice	Owned / Plentiful Harvest Sdn Bhd	90,444	36 Years	999 Years freehold expiring on 02.09.2911	6,150 sq ft
NT113077026 KG. Terusan, District of Lahad Datu, Sabah	A parcel of aquaculture land currently used for nursery operation	Subleased / Datuk Lo Fui Ming	180,000	N/A	Sublease for 30 years expiring on 30.11.2037	1.329 ha
NT 113047975 Kampung Silam, District of Lahad Datu, Sabah	A parcel of aquaculture land currently used for nursery operation	Subleased / Datuk Lo Fui Ming	247,500	N/A	Sublease for 30 years expiring on 12.01.2045	3.073 ha
NT 073026150 Kampung Sungai Kayu, District of Sandakan, Sabah	A parcel of aquaculture land currently used for nursery operation	Subleased / Datuk Lo Fui Ming	268,553	N/A	Sublease for 30 years expiring on 31.07.2038	3.557 ha

ANALYSIS OF SHAREHOLDINGS

No. of shares issued : 1,227,875,060
Classes of shares : Ordinary Shares
Voting Rights : One vote per share

ANALYSIS BY SIZE OF THE SHAREHOLDINGS AS AT 30 JULY 2020 (WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

	No. of Shareholders	%	No. of Shareholdings	%
1 - 99	22	0.38	523	0.00
100 – 1,000	341	5.82	199,656	0.02
1,001 – 10,000	2,220	37.87	14,618,678	1.19
10,001 – 100,000	2,514	42.89	95,828,929	7.80
100,001 – 61,393,752 (*)	762	13.00	913,792,114	74.42
61,393,753 AND ABOVE (**)	3	0.05	203,435,160	16.57
TOTAL	5,862	100.00	1,227,875,060	100.00

REMARKS : * - LESS THAN 5% OF ISSUED SHAREHOLDINGS
**- 5% AND ABOVE OF ISSUED SHAREHOLDINGS

LIST OF DIRECTORS' SHAREHOLDINGS AS PER THE REGISTER OF DIRECTORS' SHAREHOLDINGS AS AT 30 JULY 2020

	Shareholders Name	No. of Shares Direct	%	No. of Shares Indirect	%
1	Dato' Sri Md Kamal Bin Bilal	9,361,000	0.76	–	–
2	Datuk Lo Fui Ming	189,415,590	15.43	588,000(1)	0.05
3	Lo Teck Yong	10,486,160	0.85	–	–
4	Akinori Hotani	–	–	–	–
5	Sim Kay Wah	–	–	–	–
6	Tan Sri Dato' Nik Hashim Bin Nik Ab. Rahman	–	–	–	–

Note: (1) Deemed interest by virtue of his child's interest pursuant to Section 59 of the Companies Act, 2016.

Analysis Of Shareholdings
(Cont'd)

LIST OF DIRECTORS' OPTION HOLDINGS AS PER THE REGISTER OF DIRECTORS' OPTIONS HOLDINGS AS AT 30 JULY 2020

	Name of Director	No. of Option Direct	%	No. of Option Indirect	%
1	Dato' Sri Md Kamal Bin Bilal	–	–	–	–
2	Datuk Lo Fui Ming	–	–	9,652,000 (1)	7.24
3	Lo Teck Yong	10,646,500	7.99	–	–
4	Akinori Hotani	2,558,700	1.92	–	–
5	Sim Kay Wah	–	–	–	–
6	Tan Sri Dato' Nik Hashim Bin Nik Ab. Rahman	–	–	–	–

Note: (1) Deemed interest by virtue of his child's interest pursuant to Section 59 of the Companies Act, 2016.

LIST OF SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 30 JULY 2020

	Shareholders Name	No. of Shares Direct	%	No. of Shares Indirect	%
1	Datuk Lo Fui Ming	189,415,590	15.43	–	–
2	Mohd Amir Bin Masry	73,920,974	6.02	–	–

THE 30 LARGEST SECURITIES ACCOUNT SHAREHOLDERS AS AT 30 JULY 2020 (WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

	Name of Shareholders	No. of Shareholdings	%
1	MOHD AMIR BIN MASRY	73,920,974	6.02
2	TA NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LO FUI MING*	66,871,886	5.45
3	KENANGA NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LO FUI MING*	62,642,300	5.10
4	MARLEX TRADING LTD	30,000,000	2.44
5	HLB NOMINEES (TEMPATAN) SDN BHD *NGIAM BUEY BUEY (CUST.SIN 106787)*	27,921,200	2.27
6	CARTABAN NOMINEES (ASING) SDN BHD *EXEMPT AN FOR STANDARD CHARTERED BANK SINGAPORE (EFGBHK-ASING)*	27,758,000	2.26
7	LEMBAGA TABUNG HAJI	27,101,800	2.21
8	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LIM NYUK SANG @ FREDDY LIM (MQ0423)*	24,800,328	2.02

Analysis Of Shareholdings
(Cont'd)

THE 30 LARGEST SECURITIES ACCOUNT SHAREHOLDERS AS AT 30 JULY 2020 (WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON) (CONT'D)

	Name of Shareholders	No. of Shareholdings	%
9	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD *MAYBANK KIM ENG SECURITIES PTE LTD FOR YONG FEN VOO*	24,277,700	1.98
10	*YONG FEN YOO*	24,000,700	1.95
11	AMSEC NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT – AMBANK (M) BERHAD FOR CHEW BEN BEN (SMART)*	23,399,300	1.91
12	HLB NOMINEES (TEMPATAN) SDN BHD *LEONG KAM HENG(CUST.SIN 10678)*	20,055,600	1.63
13	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LIM NYUK SANG @ FREDDY LIM (8071811)*	19,649,200	1.60
14	*DIONG SIEW GI*	19,000,000	1.55
15	KENANGA NOMINEES (TEMPATAN) SDN BHD *LO FUI MING*	15,000,000	1.22
16	LEONG KAM HENG	15,000,000	1.22
17	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD *MAYBANK KIM ENG SECURITIES PTE LTD FOR FOO EE WYN*	14,617,700	1.19
18	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LO FUI MING (MY0033)*	14,009,004	1.14
19	DIONG SIEW GI	12,827,600	1.04
20	UOB KAY HIAN NOMINEES (TEMPATAN) SDN BHD *EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)*	11,860,000	0.97
21	M & A NOMINEE (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LEE HENG WAI (M&A)*	10,853,000	0.88
22	M & A NOMINEE (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LO FUI MING (M&A)	10,789,000	0.88
23	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LIM FEI NEE (7000197)*	10,701,400	0.87
24	DIONG SING PENG	10,642,800	0.87
25	LO TECK YONG	10,486,160	0.85
26	DIONG SWEE HOON	10,278,200	0.84
27	KENANGA NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNTS FOR LO FUI MING (THIRD PARTY)*	10,000,000	0.81
28	M & A NOMINEE (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LO FUI MING*	10,000,000	0.81
29	MD KAMAL BIN BILAL	9,360,000	0.76
30	CHEONG TECK CHONG	8,792,400	0.72

ANALYSIS OF WARRANT HOLDINGS

No. of warrant issued & unexercised	:	599,995,756
Exercise Price	:	RM 0.43
Expiry Date	:	20 August 2024
Rights of Warrant Holder	:	The Warrant holders are not entitled to any voting rights or to participate in any form of distribution and/or offer of further securities in the Company until and unless such Warrant holders exercise their Warrants into new BAHVEST Shares.

ANALYSIS BY SIZE OF THE WARRANT HOLDINGS AS AT 30 JULY 2020 (WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

	No. of Warrant Holders	%	No. of Warrant Holdings	%
1 - 99	28	1.37	814	0.00
100 – 1,000	108	5.27	51,822	0.01
1,001 – 10,000	521	25.40	3,410,300	0.57
10,001 – 100,000	926	45.15	39,789,156	6.63
100,001 – 29,999,786 (*)	466	22.72	484,228,836	80.71
29,999,787 AND ABOVE (**)	2	0.10	72,514,828	12.09
TOTAL	2,051	100.00	599,995,756	100.00

REMARKS: * - LESS THAN 5% OF ISSUED WARRANT HOLDINGS
**- 5% AND ABOVE OF ISSUED WARRANT HOLDINGS

LIST OF DIRECTORS' WARRANT HOLDINGS AS PER THE REGISTER OF DIRECTORS' WARRANT HOLDINGS AS AT 30 JULY 2020

	Shareholders Name	No. of Warrant Direct	%	No. of Warrant Indirect	%
1	Dato' Sri Md Kamal Bin Bilal	3,129,460	0.52	–	–
2	Datuk Lo Fui Ming	91,680,394	15.28	70,000 (1)	0.01
3	Lo Teck Yong	6,409,330	1.07	–	–
4	Akinori Hotani	–	–	–	–
5	Sim Kay Wah	–	–	–	–
6	Tan Sri Dato' Nik Hashim Bin Nik Ab. Rahman	–	–	–	–

Note: (1) Deemed interest by virtue of his child's interest pursuant to Section 59 of the Companies Act, 2016.

Analysis Of Warrant Holdings
(Cont'd)

THE 30 LARGEST SECURITIES ACCOUNT WARRANTS HOLDERS AS AT 30 JULY 2020 (WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

	Name Of Warrant Holders	No of Holdings	%
1	MOHD AMIR BIN MASRY	36,960,486	6.16
2	TA NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LO FUI MING*	35,554,342	5.93
3	KENANGA NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LO FUI MING*	20,400,000	3.40
4	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD *MAYBANK KIM ENG SECURITIES PTE LTD FOR YONG FEN YOO*	17,177,700	2.86
5	KENANGA NOMINEES (TEMPATAN) SDN BHD *LO FUI MING*	15,000,000	2.50
6	MARLEX TRADING LTD	15,000,000	2.50
7	HLB NOMINEES (TEMPATAN) SDN BHD *NGIAM BUEY BUEY (CUST.SIN 106787)*	13,960,600	2.33
8	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LIM NYUK SANG @ FREDDY LIM (MQ0423)*	13,053,614	2.18
9	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LO FUI MING (MY0033)*	12,004,502	2.00
10	TA NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR CHAI LEE LEE*	12,000,000	2.00
11	CARTABAN NOMINEES (ASING) SDN NHD *EXEMPT AN FOR STANDARD CHARTERED BANK SINGAPORE (EFGBHK-ASING)*	10,898,000	1.82
12	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LIM NYUK SANG @ FREDDY LIM (8071811)*	9,858,900	1.64
13	HLB NOMINEES (TEMPATAN) SDN BHD *LEONG KAM HENG(CUST.SIN 10678)*	9,671,400	1.61
14	*DIONG SIEW GI*	9,500,000	1.58
15	LEW SOON KIAK	9,237,900	1.54
16	YONG FEN YOO	8,777,700	1.46
17	LEOW SOON SENG	7,441,600	1.24
18	LO TECK YONG	6,409,330	1.07
19	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD *MAYBANK KIM ENG SECURITIES PTE LTD FOO EE WYN*	6,077,000	1.01
20	KENANGA NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LIM TONG LEE*	6,027,500	1.00

Analysis Of Warrant Holdings
(Cont'd)

THE 30 LARGEST SECURITIES ACCOUNT WARRANTS HOLDERS AS AT 30 JULY 2020 (WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON) (CONT'D)

	Name Of Warrant Holders	**No of Holdings**	**%**
21	DIONG SIEW GI	5,668,300	0.94
22	AMSEC NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT – AMBANK (M) BERHAD FOR CHEW BEN BEN (SMART)*	5,600,000	0.93
23	FOO EE WYN	5,177,700	0.86
24	M & A NOMINEE (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LO FUI MING*	5,000,000	0.83
25	AFFIN HWANG NOMINEES (ASING) SDN BHD EXEMPT AN FOR PHILLIP SECURITIES (HONG KONG) LTD (CLIENTS' ACCOUNT)	4,958,600	0.83
26	CITIGROUP NOMINEES (TEMPATAN) SDN BHD *EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C-R ES)*	4,780,000	0.80
27	M & A NOMINEE (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LEE HENG WAI (M&A)*	4,748,900	0.79
28	TA NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR CHAO KAR MEE*	4,600,000	0.77
29	*LEONG KAM HENG*	4,500,000	0.75
30	RHB NOMINEES (TEMPATAN) SDN BHD *TAN CHOON PIEW*	4,200,000	0.70

NOTICE OF THE SIXTEENTH
ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Sixteenth Annual General Meeting of the Company will be held at Sabah Hotel, Amadeus IV, Level 2, KM 1, Jalan Utara, 90000 Sandakan, Sabah on Friday, 25 September 2020 at 10.00 a.m. to transact the following businesses:

	AGENDA	**Resolution No.**
1.	To receive the Audited Financial Statements of the Company for the financial year ended 31 March 2020 together with the Directors' and Auditors' Reports thereon.	
2.	To approve the payment of directors' fees and benefits of up to RM500,000 to the non-executive directors for their services from 26 September 2020 until the next annual general meeting of the Company.	Ordinary Resolution 1
3.	To re-elect the following Directors retiring in accordance with Article 107(1)(b) of the Company's Constitution:	
	a. Datuk Lo Fui Ming	Ordinary Resolution 2
	b. Mr. Lo Teck Yong	Ordinary Resolution 3
4.	To appoint Auditors and to authorise the Directors to fix their remuneration.	Ordinary Resolution 4
5.	To consider and if thought fit, to pass the following resolution, with or without modifications:	
	ORDINARY RESOLUTION - AUTHORITY TO ALLOT SHARES	
	"THAT pursuant to Section 75 of the Companies Act 2016 and subject to the approvals of the relevant authorities, the Directors be empowered to allot and issue shares in the Company from time to time at such price, upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares issued pursuant to this Resolution does not exceed 10% of the total number of issued shares of the Company for the time being and that the Directors be also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."	Ordinary Resolution 5
6.	To transact any other business for which due notice shall have been given in accordance with the Companies Act 2016.	

BY ORDER OF THE BOARD
CHONG TZU KHEN (SSM PC 201908002796)
KANG SHEW MENG (SSM PC 201908002065)
SEOW FEI SAN (SSM PC 201908002299)
Secretaries
Petaling Jaya
28 August 2020

Notice Of The Sixteenth Annual General Meeting (Cont'd)

Notes:-

(a) *Only members whose names appear on the Record of Depositors as at 18 September 2020 shall be entitled to attend, speak and vote at the Annual General Meeting.*

(b) *A member shall be entitled to appoint up to two (2) proxies to attend and vote at the same meeting. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. A proxy may but need not be a member of the Company. The instrument appointing a proxy must 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 seal or at the hand of an officer or attorney duly authorised.*

(c) *Where a Member is an authorised nominee as defined in the Securities Industry (Central Depositories) Act, 1991, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*

(d) *Where a Member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account known as an omnibus account, there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account its holds.*

(e) *The instrument of proxy shall be deposited at the Company's Share Registrar's Office at Securities Services (Holdings) Sdn. Bhd., Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, not less than forty-eight (48) hours before the time for holding the meeting.*

Explanatory Note on Special Business

➢ **Ordinary Resolution 1**

Pursuant to Section 230(1) of the Companies Act 2016, the fees of the directors and any benefits payable to the directors including any compensation for loss of employment of a director or former director of a public company or a listed company and its subsidiaries, shall be approved at a general meeting.

The fees structure of the non-executive directors of the Company is as follows:

- Monthly Directors' fees; and
- Meeting allowance.

Details of the fees and benefits paid to the non-executive directors for the financial year ended 31 March 2020 are disclosed on page 24 of the Overview Statement on Corporate Governance in the 2020 Annual Report.

➢ **Ordinary Resolution 5**

The proposed Ordinary Resolution 5, if passed, will empower the Directors of the Company to allot and issue not more than 10% of the issued share capital of the Company subject to the approvals of all the relevant governmental and/or other regulatory bodies and for such purposes as the Directors consider would be in the interest of the Company. This authorisation will, unless revoked or varied by the Company in a general meeting, expire at the next Annual General Meeting of the Company.

As at the date of this Notice, no new share in the Company was issued pursuant to the authority granted to the Directors at the Fifteenth Annual General Meeting held on 30 August 2019 and the said authority will lapse at the conclusion of the Sixteenth Annual General Meeting.

The authority will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital, repayment of bank borrowings and/or acquisitions.

BAHVEST RESOURCES BERHAD
Registration no. 200401011001(649504-D)
(Incorporated in Malaysia)

FORM OF PROXY

CDS Account No.	No of Shares Held

I/We ____ (BLOCK LETTERS)

NRIC No./Company No. ____ of

____

being (a) member(s) of **BAHVEST RESOURCES BERHAD [200401011001(649504-D)]** hereby appoint the following person(s):

	Name of proxy & NRIC No.	No. of shares to be represented by proxy
1.	______________________	______________________
2.	______________________	______________________
	or failing him/her,	
1.	______________________	______________________
2.	______________________	______________________

or failing him, THE CHAIRMAN OF THE MEETING as my/our proxy to vote for me/us on my/our behalf at the Sixteenth Annual General Meeting of the Company to be held Sabah Hotel, Amadeus IV, Level 2, KM 1, Jalan Utara, 90000 Sandakan, Sabah on Friday, 25 September 2020 at 10.00 a.m. and at any adjournment thereof and to vote as indicated below:-

	FOR	AGAINST
ORDINARY RESOLUTION 1		
ORDINARY RESOLUTION 2		
ORDINARY RESOLUTION 3		
ORDINARY RESOLUTION 4		
ORDINARY RESOLUTION 5		

Please indicate with an "X" in the space above on how you wish to cast your vote. In the absence of specific directions, your proxy will vote or abstain as he/she thinks fit.

Signed this .... day of ....……..., 2020

____
Signature / Seal of Member

Notes:

a) *Only members whose names appear on the Record of Depositors as at 18 September 2020 shall be entitled to attend, speak and vote at the Annual General Meeting.*

b) *A member shall be entitled to appoint up to two (2) proxies to attend and vote at the same meeting. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. A proxy may but need not be a member of the Company. The instrument appointing a proxy must 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 seal or at the hand of an officer or attorney duly authorised.*

c) *Where a Member is an authorised nominee as defined under the Central Depositories Act, it may appoint one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.*

d) *Where a Member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account known as an omnibus account, there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account its holds.*

e) *The instrument of proxy shall be deposited at the Company's Share Registrar's Office at Securities Services (Holdings) Sdn. Bhd., Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, not less than forty-eight (48) hours before the time for holding the meeting.*

Fold this flap for sealing

Then fold here

AFFIX
STAMP

BAHVEST RESOURCES BERHAD
Registration no. 200401011001(649504-D)

c/o Level 7, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur

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BAHVEST RESOURCES BERHAD
Registration No. 200401011001 (649504-D)

Lot 4, Block E, Bandar Nam Tung,
Jalan Leila, P. O Box No. 2112,
90724 Sandakan, Sabah, Malaysia.

Tel : 089-611133 / 089-611633 / 089-612633
Fax : 089-613633 / 089-618633

www.bahvest.com.my