BAHVEST RESOURCES BERHAD

Registration No. 200401011001 (649504-D)

ANNUAL REPORT **2022**

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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

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

Sim Kay Wah
Independent Non-Executive Director

COMPANY SECRETARIES

Wong Youn Kim

Sim Oie Ten

Hiew Vun Pui

AUDIT COMMITTEE

Sim Kay Wah
Chairman

Dato' Sri Dr. Md Kamal Bin Bilal
Member

Tan Sri Dato' Nik Hashim Bin Nik Ab. 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

Level 5, Tower 8, Avenue 5, Horizon 2,
Bangsar South City,
59200 Kuala Lumpur,
Wilayah Persekutuan.
Tel: 03-22806388
Fax: 03-22806399

HEAD OFFICE

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

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

Baker Tilly Monteiro Heng PLT
(LLP0019411-LCA) (AF 0117)
Chartered Accountants
Level 10, Tower 1, Avenue 5,
Bangsar South City,
59200 Kuala Lumpur, Malaysia.

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

https://bahvest.com.my

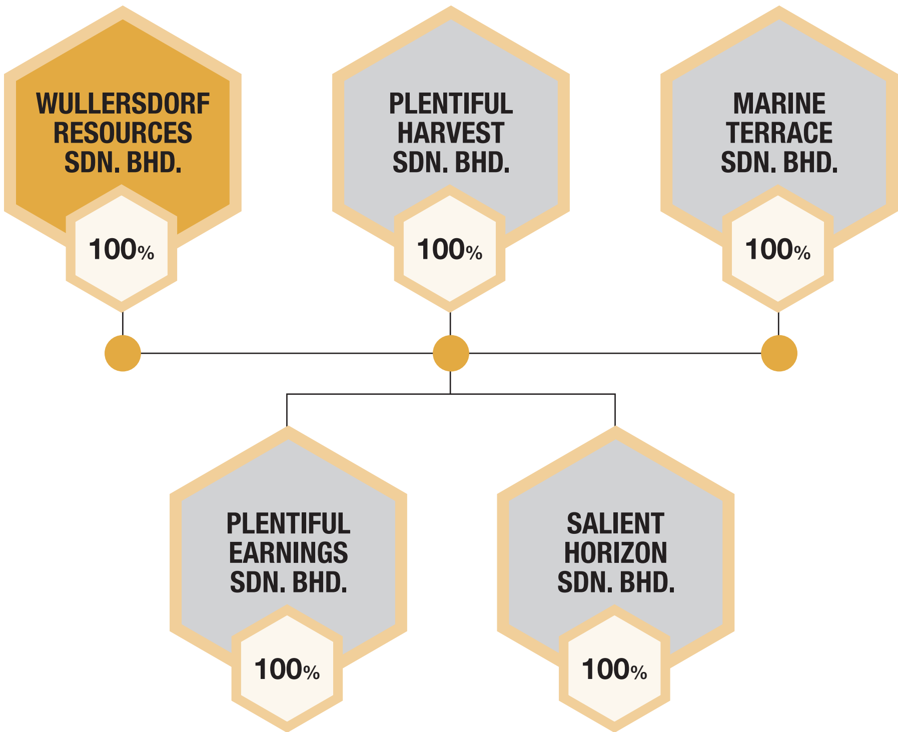
CORPORATE PROFILE

Bahvest Resources Berhad ("Bahvest" or "Company") 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").

Bahvest Group is a Malaysian owned entity and via one of its wholly-owned subsidiaries, Wullersdorf, principally involved in gold mining activities in Malaysia. The gold mining activities 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 with a lease period expiring on 31 December 2048.

CORPORATE STRUCTURE

BAHVEST RESOURCES BERHAD
Registration no. 200401011001(649504-D)
(Incorporated in Malaysia)



VISION & MISSION

Wullersdorf, one of the wholly owned subsidiaries of Bahvest, strives to assist the Sabah State Government in developing the State's mining industry by implementing the 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.

Bahvest and Wullersdorf are committed in discharging their duty as a responsible gold miner, and uphold the following principles in its daily business operations:

- Diligent practice of planning, measuring, managing and recycling of mining waste;
- Providing a conducive working environment for our local community; and
- Fully compliant with rules and regulations set by relevant authorities.

Bahvest will ensure that the following measures are undertaken in order to achieve vision set forth above:

- Ensure a work environment where everyone goes home safe and healthy every day;
- Operating and developing mines in line with strong environmental, social governance practices;
- Developing a diverse workforce; and
- Developing and maintaining strong relationships with our communities and governments.

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 2022 (“FYE 2022”).

CHAIRMAN’S STATEMENT

FINANCIAL REVIEW

During the FYE 2022, the Group recorded higher revenue with RM149.30 million (FYE 2021: RM95.86 million), represents a 55.76% increase year-on-year. The revenue generated during the year was wholly from gold mining operations. During the FYE 2022, total gold production increased by 60.85% to 604.17 kgs, compared to 375.62 kgs for the FYE 2021.

Following the increased revenue, the Group generated higher gross profit (“GP”) with RM31.16 million (GP margin of 20.87%) for the FYE 2022 as compared to GP of RM19.16 million (GP margin of 19.99%) recorded for the FYE 2021. The improvement of gold production output efficiency has contributed positively to the Group.

The Group recorded profit after taxation with RM12.42 million for the FYE 2022, a significant improvement compared to the FYE 2021’s loss after taxation with RM14.13 million as a result of improved output from gold mining activities.

CHAIRMAN'S STATEMENT

(CONT'D)

BUSINESS REVIEW

MINING OPERATION

During the FYE 2022, Bahvest has its main core business, operations in mineral explorations, mining and other mining related business. The mining developments areas cover 317.7 hectares at Bukit Mantri, Tawau District of Sabah with a lease period expiring in 31 December 2048.

Wullersdorf operates a portfolio of well-established mine characterized by efficient use of modern equipment, low-cost, large scale processes and minimum reliance on third-party infrastructure. Bahvest also focuses on maximization of the potential of its existing producing assets and well-positioned to capitalize on low-risk cost efficient expansion opportunities on mines operations.

PROSPECTS AND OUTLOOK

The Board is confident that the gold mining operations will continue to enhance the Group's revenue and its earning base, and at the same time achieving sustainable growth and add value to our shareholders. The Group expects gold mining operations will continuously contribute quality earnings as its gold production is expected to improve further while focusing on its production from the epithermal veins, as their grades are higher than those extracted from the topsoil.

ACKNOWLEDGEMENTS

On behalf of the Board, I would like to express our sincere appreciation to our stakeholders, including 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 2022.

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-Independent Non-Executive Chairman of the Board of Bahvest Resources Berhad.

DIRECTORS' PROFILE

Dato' Sri Dr. Md Kamal Bin Bilal

Malaysian Male, aged 60, 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 25 February 2021. 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 2022.

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

Datuk Lo Fui Ming

Malaysian Male, aged 66, 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, for periods from 1 October 2001 to 16 January 2004 and from 6 August 2004 to 1 April 2005. He was re-designated as the Non-Executive Deputy Chairman until 21 July 2005.

Holding the positions as 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 core driving force of the Group.

Datuk Lo Fui Ming is the father to 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 and no public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 March 2022.

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

DIRECTORS' PROFILE

(CONT'D)

LO TECK YONG

Malaysian Male, aged 41, 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 mining site.

He obtained a Bachelor of Science Degree majoring in Marketing from University of Surrey, United Kingdom in 2003.

Mr. Lo Teck Yong is the son of Datuk Lo Fui Ming and brother to 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 2022.

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

TAN SRI DATO' NIK HASHIM BIN NIK AB. RAHMAN

Malaysian Male, aged 79, 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 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 2022.

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

DIRECTORS' PROFILE

(CONT'D)

SIM KAY WAH

Malaysian Male, aged 46, is an Independent Non-Executive Director. He was appointed to the Board of Directors 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 twenty 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 2022.

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

KEY SENIOR MANAGEMENT PROFILE

CHONG TZU KHEN

Malaysian Male, aged 65, a Director in Wullersdorf, a wholly owned subsidiary of Bahvest. He is also the Finance Manager 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 2022.

CHONG KHING CHUNG

Malaysian Male, aged 55, a Director in 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. Mr. Chong is currently an Independent Non-Executive Director of 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 2022.

KEY SENIOR MANAGEMENT PROFILE

(CONT'D)

LO CHOON FUNG @ MICHELLE

Malaysian Female, aged 42, 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 2022.

HIEW VUN PUI

Malaysian Female, aged 46, the 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 2022.

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. In view of diversification of business operations into gold mining production, the Company has changed name from Borneo Aqua Harvest Berhad to Bahvest Resources Berhad with effective from 27 November 2018.

Bahvest is an investment holding company, and it has five wholly-owned direct and indirect subsidiaries, namely Wullersdorf, Plentiful, Plentiful Earnings, Marine and Salient.

Currently, Bahvest's core business activity is in mining operations. The original Mantri Pit elevation is 510 mRL and so far the pit is designed at 242 meter depth. Recent Mantri Pit elevation is at 413 mRL which means the progress pit depth is 97 meter and remaining of 268 depth to be mined out on remaining mine life. However the pit elevation continuity to be determined by another resources drilling campaign to indicate potential further pit extension in the future.

FINANCIAL REVIEW

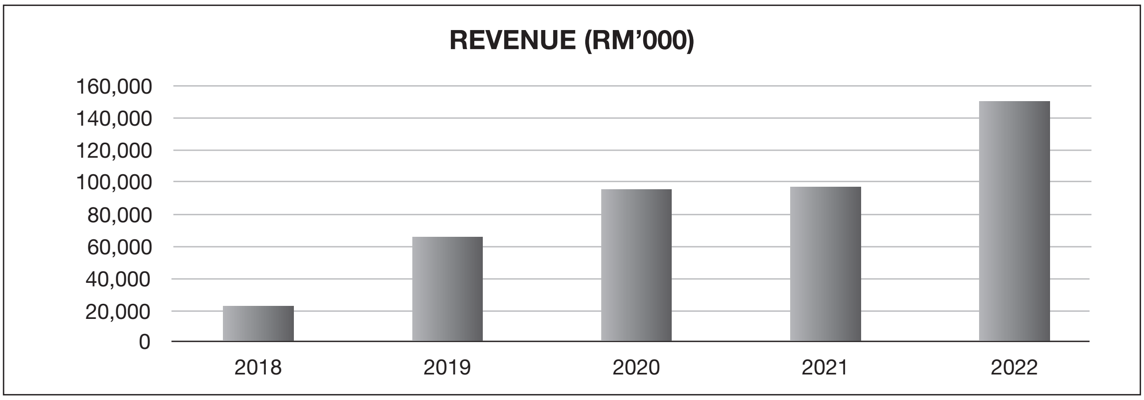
Five Years Financial Highlights

Amount (RM'000)	2018	2019	2020	2021	2022
Income Statement					
Revenue	22,219	65,052	95,131	95,855	149,302
Profit/(Loss) before taxation	30,516	4,381	(197,543)	(10,562)	19,548
Taxation	(11,968)	1,320	15,642	(3,572)	(7,128)
Profit/(Loss) for the financial year	18,542	5,701	(181,901)	(14,134)	12,420
Assets					
Property,plant and equipment	62,196	67,420	71,289	61,726	64,011
Intangible assets	96,134	92,906	72,759	70,197	67,667
Non-current asset held for sale	1,506	–	–	–	–
Non-current and current biological assets	156,837	157,111	2,428	–	–
Inventories	1,359	2,538	3,443	4,555	9,347
Trade and other receivable	26,306	27,350	4,232	10,776	15,892
Tax recoverable	127	86	1,341	1,458	323
Cash and bank balances	5,905	11,293	9,143	2,284	7,661
Total assets	350,370	358,704	164,635	150,996	164,901
Equity and liabilities					
Share capital and premium	278,873	287,844	288,796	292,127	68,721
Other reserve	10,815	6,554	6,332	5,477	5,066
Retained profits/(Accumulated losses)	28	5,729	(176,172)	(190,305)	47,115
Total equity	289,716	300,127	118,956	107,298	120,902
Loans and borrowings (Non-current)	7,661	7,020	11,142	12,820	9,945
Deferred income	4,013	3,137	2,262	–	–
Deferred tax liabilities	25,701	22,300	971	1,350	1,793
Loans and borrowings	15,583	14,564	11,010	8,627	7,079
Trade and other payables	7,696	9,476	20,294	20,901	23,922
Taxation	–	2,080	–	–	1,260
	60,654	58,577	45,679	43,698	43,999
Total equity and liabilities	350,370	358,704	164,635	150,996	164,901
Profit/(loss) per share (sen)	3.09	0.72	(14.85)	(1.15)	1.01
Total asset per share (sen)	58.35	45.01	13.44	12.26	0.66

MANAGEMENT DISCUSSION AND ANALYSIS

(CONT'D)

REVENUE



The Group recorded revenue of RM149.30 million for FYE 2022 (FYE 2021: RM95.86 million), an increase of 55.76% year-on-year. During the financial year, the Group's revenue was generated wholly from the mining operations operated by Wullersdorf. The increased revenue was in line with the rise in quantity of gold production to 604.17 kgs (FYE 2021: 375.62 kgs), and 29.88 kgs (FYE 2021: 170.56 kgs) of silver during the financial year. Upward trends in the commodity price (i.e. gold) for the past 5 years have been in favor to the Group.

PROFIT/(LOSS) BEFORE TAXATION

Other income & expenses before taxation

Amount (RM'000)	**2018**	**2019**	**2020**	**2021**	**2022**
Other income					
Other operating income	2,699	2,789	1,894	5,549	3,818
Fair value gain on biological assets	55,549	–	–	–	–
Expenses					
Cost of sales	22,402	33,139	64,497	76,698	118,143
Fair value loss on biological assets	–	10,960	161,052	5,839	–
Impairment on financial instruments	7,554	126	21,271	766	977
Impairment on plant and equipments	–	–	4,392	12,109	–
Other operating expenses	–	5,768	33,192	4,156	2,570
Selling and distribution expenses	6,632	6,155	1,724	332	–
Administrative expenses	12,260	5,409	6,766	10,773	10,501
Finance cost	1,103	1,903	1,673	1,293	1,381

1) The decrease in other operating income is in parallel with cessation of the Group's aquaculture business in the previous financial year.

2) Higher consumption in gold production activities, coupled with rising material prices of major cost components are factors contributed to the significant increase to cost of sales. Notably, in the FYE 2022, average fuel costs increased by 35.62% per kg of gold production, whilst average blasting cost increased by 97.67% per kg of gold production.

3) Other operating expenses represent the amortization of mining right.

4) Finance cost represents interests on lease liabilities for the purchase of machinery and equipment for the mining operations.

Taxation

During the financial year, income tax expenses of RM7.13 million payable for net income generated from Wullersdorf.

Cash flow

At the balance sheet date, the Group was in positive net cash and cash equivalents position at RM7.57 million, compared to net cash overdraft of RM0.54 million in FYE 2021. The net changes are shown below:

	2022 RM'000	2021 RM'000
Cash from operating activities	22,316	4,741
Cash used in investing activities	(11,832)	(3,340)
Cash used in financing activities	(2,372)	(3,517)
Net increase/(decrease) in cash and cash equivalents	8,112	(2,116)
Cash and cash equivalents at the beginning of the financial year	(543)	1,573
Cash and cash equivalents at the end of the financial year	7,569	(543)

The improved contributions from gold mining activities contributed positively to the financial aspect of the Group. Cash generated from operating activities improved by 3.7 times for the FYE 2022, reversing the cash deficit position in FYE 2021 into RM7.57 million net cash position at end of FYE 2022, notwithstanding a RM11.83 million outflow for gold mining plant improvement activities.

Assets, Equity and Liabilities

1. Property, plant and equipment increased by RM2.28 million due to the continuous expansion and improvement of the gold mining plant.

2. Intangible assets represent the mining rights with amortization amounted to RM2.53 million charged during the financial year.

3. Inventories increased to RM9.35 million at the end of FYE 2022 was mainly due to increased quantity and cost price in spare parts, stocks, chemical stocks, fuel, lubricants and oil for the Group's gold mining operation at Bukit Mantri, Tawau, Sabah.

4. (a) Trade receivable are non-interest bearing and the normal credit terms granted by the Group are ranging from 30 days to 270 days. There were recognized at their original invoiced amount which represent their fair values on initial recognition.

   (b) Other receivables included deposit paid of RM0.370 million made to contractor for the construction of infrastructure for mining operations; and RM44,800 deposit paid for acquisition of heavy machineries.

5. The net decrease in total borrowings of RM4.43 million as a result of repayment of lease liabilities and settement of overdraft facilities. The Group has no other borrowing except for lease liabilities obtained for the purchase of gold mining machinery and equipment.

6. The trade and other payables represent outstanding balances owing to creditors for the purchase of spare parts, chemicals and materials for repair and maintenance incurred on gold mining operation during the year.

MANAGEMENT DISCUSSION AND ANALYSIS

(CONT'D)

CORPORATE PROPOSAL

There was no corporate proposal that has been announced as at the date of this report.

COMPANY'S PROSPECTS

The Company focuses of its gold production from the epithermal veins beginning to bear fruits and see improving contributions from the mining operations.

In addition, the continuous expanding and improved mining production facilities and processes also contribute positively to improving the gold production.

The Group strive to continuously increase its production capacities.

Barring any unforeseen circumstances, the Board of Directors anticipates that the Group would be able to build on the current momentum and strengthen its production as a major gold miner in Malaysia, with the improving gold mining output and financial performance from the Group's mining operations.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Malaysian Code of Corporate Governance defines corporate governance as: "the process and structure used to direct and manage the business and affairs of the company towards promoting business prosperity and corporate accountability with the ultimate objective of realising long-term shareholder value, whilst taking into account the interests of the other stakeholders."

The Board of Directors (Board) remains committed to subscribe to the principles of good corporate governance that is central to the effective operation of the Group and to ensure the highest standards of accountability and transparency. The Board supports the Corporate Governance Framework and continues to improve existing practices and achieve the objectives of the Group.

The Board is pleased to set out below the manner in which the Group has applied the three main principles in the Malaysian Code on Corporate Governance ("MCCG 2017") known as Board Leadership and Effectiveness (Principal A), Effective Audit And Risk Management (Principal B) and Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders (Principal C) throughout the financial year ended 31 March 2022.

PRINCIPAL A - BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

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 their independent judgment on issues of strategic, performance, resources and standard of conduct. During the financial year, the Company has an experienced Board comprising two (2) Executive Directors, two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director.

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, provides 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPAL A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. Board Responsibilities (cont'd)

The Independent Non-Executive Directors of the Company play a key role in providing unbiased and independent views, advice and contributing their knowledge and experience towards the formulation of policies and in the decision-making process. The Board structure ensures that no individual or group of individuals dominates the Board's decision-making process. Although all the Directors have equal responsibility for the Company and the Group's operations, the role of the Independent Directors are particularly important in ensuring that the strategies proposed by the Executive Directors are deliberated on and have taken into account the interest, not only of the Company, but also that of the shareholders, employees, customers, suppliers and the community.

The Board had appropriately delegated specific tasks to three (3) Board Committees; namely Audit Committee, Nomination Committee and Remuneration Committee. All the Board Committees have its own terms of reference and has the authority to act on behalf of the Board within the authority as lay out in the terms of reference and to report to the board with the necessary recommendation. 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 Board Committees established are as follows:-

(i) Audit Committee ("AC")

a. The Audit Committee comprises entirely Non-Executive Directors as follows:
   - Chairman : Mr Sim Kay Wah
   - Members : Dato' Sri Dr. Md Kamal Bin Bilal
     : Tan Sri Dato' Nik Hashim Bin Nik Ab. Rahman

b. Full details of the Audit Committee Term of Reference can be found at the Company's website at https://bahvest.com.my.

c. The Audit Committee Report is presented on pages 27 to 30 of this Annual Report.

(ii) Nomination Committee ("NC")

a. The Nomination Committee comprises entirely Non-Executive Directors as follows:
   - Chairman : Tan Sri Dato' Nik Hashim Bin Nik Ab. Rahman
   - Members : Mr 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.

PRINCIPAL A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. Board Responsibilities (cont'd)

(ii) Nomination Committee ("NC") (cont'd)

c. The current Chairman of the Nomination 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 Nomination 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 https://bahvest.com.my.

f. All appointments of new directors to the Board are properly made with an established and transparent procedure and in compliance with the fit and proper policy of the Company and 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 Nomination Committee, with due consideration given to the mix and range of expertise and experience required for an effective Board. The Fit and Proper Policy is made available for reference in the Company's website at https://bahvest.com.my.

g. The activities of the Nomination Committee carried out during the financial 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.

(iii) Remuneration Committee ("RC")

a. The Remuneration Committee comprises entirely Non-Executive Directors as follows:
- Chairman : Tan Sri Dato' Nik Hashim Bin Nik Ab. Rahman
- Members : Mr Sim Kay Wah
  : Dato' Sri Dr. Md Kamal Bin Bilal

b. Primary Responsibilities and Functions:-

- Establishes remuneration policy and procedures. This policy and procedures can be found at the Company's website at https://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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPAL A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. Board Responsibilities (cont'd)

(iii) Remuneration Committee ("RC") (cont'd)

b. Primary Responsibilities and Functions:- (cont'd)

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 2022, 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 ("MD")/ Chief Executive Officer ("CEO"), the Finance Manager and the Group Accountant.

To ensure balance of power and authority, accountability and independent decision making, the roles of the Chairman and the Managing Director are distinct and separated.

The Company has a clear distinction and separation of roles between the Chairman and the MD/CEO, with clear division of responsibilities. The Board of Directors is headed by Dato' Sri Dr. Md Kamal Bin Bilal, the Non-Independent Non-Executive Chairman, who has broad exposure and extensive experience in the international trade and investment arena. As Chairman, he plays a vital role in leading and guiding the Board, and also serves as the communication point between the Board and the MD/CEO.

The Board has delegated to the MD/CEO, Datuk Lo Fui Ming, the authority and responsibility for implementing policies, strategies and decisions adopted by the Board. The MD/CEO and the management team are responsible for implementing the plans chartered out and the day to day management of the Group, with clear authority delegated by the Board.

The Board is guided by a Board Charter which sets out the principles governing the Board of Directors of the Company and adopts the principles of good governance and practice in accordance with applicable laws, rules and regulations in Malaysia.

The Board will periodically review the Board Charter and make changes wherever necessary. The Board Charter is published on the Company's corporate website at https://bahvest.com.my.

A formal Whistleblowing Policy has been established to assist in ensuring that the Group's business and operations are conducted in an ethical, moral and legal manner. The Whistleblowing Policy is designed to encourage employees or external parties to disclose suspected malpractice or misconduct and to provide protection to employees or external parties who report allegations of such practices. The Whistleblowing Policy is published on the Company's corporate website at https://bahvest.com.my.

The Board is supported by qualified and competent Company Secretary who are responsible for ensuring that the Company's constitutions, procedures, policies and regulations are complied with. Also ensuring that, all obligations required by the regulatory and under the Listing requirements are fulfilled in a timely manner. The Board is regularly updated and advised by the Company Secretary on any new statutory and regulatory requirements in relation to their duties and responsibilities. The Board recognises that the Company Secretary is suitably qualified and capable of carrying out the duties required. The Board is satisfied with the service and support rendered by the Company Secretaries in discharge of their functions.

PRINCIPAL A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. Board Responsibilities (cont'd)

(iii) Remuneration Committee ("RC") (cont'd)

None of the Directors of the Company hold more than five directorships of listed companies as provided under rules 15.06 of the ACE Market Listing Requirements.

The Board meets on a quarterly basis with additional meetings being convened when necessary to address urgent matters. All the Directors have complied with the minimum attendance requirements as stipulated by the ACE Market Listing Requirements of Bursa Malaysia. The Board met on four occasions during the year ended 31 March 2022 and the details of attendance at Board Meetings is set out below.

	Number of Meetings Attended	Total Number of Meetings
Non-Executive Directors		
Dato' Sri Dr. Md Kamal Bin Bilal	4	4
Tan Sri Dato' Nik Hashim Bin Nik Ab. Rahman	4	4
Sim Kay Wah	4	4
Executive Directors		
Datuk Lo Fui Ming	4	4
Lo Teck Yong	4	4

All new appointees to the Board are given an introduction to familiarize themselves with the Group's operations so as to assist them in discharging their duties and responsibilities. They are required to attend the Mandatory Accreditation Programme by Bursa Malaysia and thereafter to continually upgrade their knowledge and exposure through in-house training programmes as well as courses conducted by external parties. All Directors have completed the Mandatory Accreditation Programme stipulated by Bursa Malaysia.

The Board oversees and governs the Group's sustainability agenda and strategy. In supporting the Board in the implementation of sustainability-related strategies, the Board has empowered the Management to drive and monitor the implementation of such strategies as well as to measure and report progress towards achieving the Group's sustainability goals as set by the Board. The Management discusses all relevant sustainability matters, programs and activities in various management meetings. The Management is responsible for identifying, evaluating, monitoring and oversees the implementation of the Group's sustainability policies, processes and approach to ensure key sustainability objectives are met. Thereafter, the Board of Directors are also briefed on key sustainability matters. The information on the Bahvest Group's sustainability governance structure, stakeholder engagement, prioritisation sustainability activities as well as key performance indicator are disclosed on page 35 to page 52 of the Annual Report 2022.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPAL A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II Board Composition

Board decisions are made objectively in the best interests of the Company taking into account diverse perspectives and insights.

The Company has an experienced Board comprising two (2) Executive Directors and two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. The Non-Executive Directors are not employees of the Company and do not participate in the day to day management of the Company. All three (3) Non-Executive Directors, majority are independent directors and are able to express their views without any constraint. This strengthens the Board which benefits from the independent views expressed before any decisions are taken. Should any director have an interest in any matter under deliberation, he is required to disclose his interest and abstain from participating in discussions on the matter. The NC has reviewed the performance of the independent directors and is satisfied that they have discharged their responsibilities in an independent manner.

The Constitution of the Company provides that all Directors of the Company shall retire from office at least once every three years but shall be eligible for re-election. At least one third of the Directors for the time being, or if their number is not a multiple of three, then the number nearest to one-third, shall retire from office at each AGM. A retiring Director shall be eligible for re-election. This provides an opportunity for shareholders to renew their mandates.

The MCCG stipulates that the tenure of an Independent Director of the Company should not exceed a cumulative term of nine years. An Independent Director may continue to serve the Board subject to re-designation as a Non-Independent Director. In the event the Board intends to retain the Independent Director after serving a cumulative term of nine years, shareholders' approval will be sought. The Board believes that valuable contributions can be obtained from directors who have, over a period of time, developed valuable insight of the Company and its business. Their experience enables them to discharge their duties and responsibilities independently and effectively in the decision making processes of the Board, notwithstanding their tenure on the Board.

III Remuneration

The level and composition of remuneration of Directors and Senior Management take into account the company's desire to attract and retain the right talent in the Board and Senior Management to drive the Company's long-term objectives. The remuneration policies and decisions are made through a transparent and independent process.

The Company's NC reviews the remuneration of the Board and Senior Management from time to time with a view to ensuring the Company offers fair compensation and is able to attract and retain talent who can add value to the Company. Fees paid to Non-Executive Directors are tabled at the Company's AGM for approval.

PRINCIPAL A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

III Remuneration (cont'd)

Stakeholders are able to assess whether the remuneration of Directors and Senior Management is commensurate with their individual performance, taking into consideration the Company's performance.

The Details of the Directors' remuneration comprising remuneration received from the Company and its Group in the financial year ended 31 March 2022 are as follows:-

Company

	RM'000					
	Salaries	Fees	Bonus	Other Remuneration	Benefits-in-kind	Total
Non-Executive Directors						
Dato' Sri Dr. Md Kamal bin Bilal	–	180	–	–	–	180
Tan Sri Dato' Nik Hashim bin Nik Ab. Rahman	–	60	–	4	–	64
Sim Kay Wah	–	36	–	4	–	40
Executive Directors						
Datuk Lo Fui Ming	300	–	–	37	–	337
Lo Teck Yong	96	–	–	12	–	108
Total	**396**	**276**	**–**	**57**	**–**	**729**

Group

	RM'000					
	Salaries	Fees	Bonus	Other Remuneration	Benefits-in-kind	Total
Non-Executive Directors						
Dato' Sri Dr. Md Kamal bin Bilal	–	180	–	–	–	180
Tan Sri Dato' Nik Hashim bin Nik Ab. Rahman	–	60	–	4	–	64
Sim Kay Wah	–	36	–	4	–	40
Executive Directors						
Datuk Lo Fui Ming	600	–	–	55	–	655
Lo Teck Yong	240	–	–	31	–	271
Total	**840**	**276**	**–**	**94**	**–**	**1,210**

Range of Remuneration	Group	Company
RM50,001 – RM200,000	2	–
RM200,001 – RM350,000	–	1
RM350,001 – RM500,000	2	–

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPAL A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

III Remuneration (cont'd)

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.

Training programmes and seminars attended by the Directors of the Company during the financial year ended 31 March 2022 are as follows:

Name of Directors	Date	Seminar / Training Course Title
Sim Kay Wah	8 June 2021	MIA INTERNATIONAL ACCOUNTANTS CONFERENCE 2021

PRINCIPAL B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I Audit Committee ("AC")

There is an effective and independent Audit Committee. The Board is able to objectively review the Audit Committee's findings and recommendations. The Company's financial statements is a reliable source of information.

The Audit Committee oversees the integrity of the financial statements, compliance with relevant accounting standards and the Group's risk management and internal controls. The Committee had four (4) meetings during financial year ended 31 March 2022 and comprises:-

i. Sim Kay Wah (Chairman)
ii. Dato' Sri Dr. Md Kamal Bin Bilal
iii. Tan Sri Dato' Nik Hashim Bin Nik Ab. Rahman

The Board strives to provide true, fair and comprehensive financial reporting of the Group's performance in the audited financial statements and quarterly financial reports together with material disclosures in the notes to accounts, in accordance with the applicable approved accounting standards by MASB and relevant regulatory requirements.

The AC exercises professional oversight of the integrity of the financial reports before presenting the financial statements to the Board for approval. The AC also provides assurance to the Board with support and clarifications from the external auditors that the financial statements & reports presented are in compliance with applicable laws and accounting standards and give a true and fair view of the Group's performance and financial position.

The Board has a formal and transparent relationship with the external auditors. The AC recommends to the Board on the appointment of the external auditors which is subject to the approval of shareholders at the AGM whilst their remuneration is determined by the Board. The role of the AC is further set out in their Report. The Board has private sessions and dialogues through the Committee with the external auditors, in the absence of the executive directors and the management. For the year under review, there was two such dialogue session with the external auditors.

It is the practice of the AC to conduct annual assessment of the external auditor. Areas of assessment include among others, the external auditors objectivity and independence, size and competency of the audit team, audit strategy, audit reporting, partner involvement and audit fees. In support of the assessment on independence, the external auditors provide the AC with assurance confirming their independence throughout the conduct of the audit engagement in accordance with the relevant professional and regulatory requirements. Premised on the assessment result, the AC will make recommendation for re-appointment of external auditors accordingly.

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

I Audit Committee ("AC") (cont'd)

The AC ensures that the external auditors are independent of the activities they audit and reviews the contracts for non-audit services by the external auditors. During the financial year, the amount of non-audit fees paid to external auditors was RM 5,000.

The AC comprises majority Independent Non-Executive Directors and at least one member fulfills qualifications prescribed by Bursa via Rules 15.09(1)(c) and Rules 7.1 of Practice Note 13 of the ACE Market Listing Requirements.

II Risk Management and Internal Control Framework

Company makes informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives. The Board is provided with a reasonable assurance that adverse impact arising from a foreseeable future event or situation on the Company's objectives is mitigated and managed.

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 https://bahvest.com.my.

The Sustainability Statement is reviewed by the Board, is on Pages 35 to 52 of this Annual Report.

Company has an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

The Group has established an internal audit function within the Group which is currently outsourced to an independent internal audit consulting firm, S.Lim & Co, Chartered Accountant, an independent professional firm ("Internal Auditors") who reports directly to the AC.

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 furnished on pages 31 to 34 of the Annual Report provides an overview on the state of internal controls within the Group, in an effort to manage risk.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

I Communication with Stakeholders

There is continuous communication between the Company and stakeholders to facilitate mutual understanding of each other's objectives and expectations. Stakeholders are able to make informed decisions with respect to the business of the Company, its policies on governance, the environment and social responsibility.

The Board believes that a constructive and effective investor relationship is essential in enhancing shareholder value and recognizes the importance of timely dissemination of information to shareholders or stakeholders.

Bahvest 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:

- Annual Report;
- Various disclosures and announcements made via Bursa Malaysia Securities Berhad's website at http://www.bursamalaysia.com;
- The Company's website https://bahvest.com.my; and
- The Group's Annual General Meeting.

The Board monitors all price sensitive information potentially required to be released to Bursa Malaysia and makes material announcements to Bursa Malaysia in a timely manner. In line with best practices, the Board strives to disclose price sensitive information to the public as soon as practicable through Bursa, the media and the Company's website.

Price sensitive information is defined as any information that on becoming generally available would tend to have a material effect on the market price of the Company's listed securities. The Company Secretary is responsible to compile such information for the approval of the Board soonest possible and release such information to the market as stipulated by Bursa Malaysia.

Apart from the provisions relating to the "closed period" for dealing in the Company's shares, the Directors and Senior Management privy to price sensitive information are prohibited from dealing in the shares of the Company until such information is publicly available.

II Conduct of General Meetings

Shareholders are able to participate, engage the Board and Senior Management effectively and make informed voting decisions at general meetings.

The Annual General Meeting is the principal forum for dialogue and interaction with the shareholders. The Board is committed to provide shareholders with comprehensive and timely information about the Group's activities and performance to enable investors make informed decisions. Shareholders are encouraged to attend General Meetings and use the opportunity to ask questions on resolutions being proposed and on the progress, performance and future prospects of the Company. The Chairman and Board members, with the assistance of Senior Management and external auditors, where appropriate, are responsible to respond and provide explanations on matters raised.

Information on the Group's activities is provided in the Circulars, Annual Report and Financial Statements which are despatched to shareholders. The Company also encourages shareholders and investors to access online the Company's Annual Report and up to date announcements, which are made available at the Bursa Malaysia website and the Company's own website.

All resolutions set out in the notice of general meetings will be carried out by poll voting. The Board makes announcement of the detailed results showing the number of votes cast for and against on each resolution at general meetings to facilitate greater shareholder participation.

This Corporate Governance Overview Statement is made at the Board of Directors Meeting held on 18 July 2022.

AUDIT COMMITTEE REPORT

The Board of Directors of the Group is pleased to present the Audit Committee ("AC") Report for the financial year ended ("FYE") 31 March 2022.

MEMBERSHIP

The AC of the Group comprises the following members:

Chairman
Sim Kay Wah
Independent Non-Executive Director

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

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

The AC comprises three (3) Non-Executive Directors during FYE 31 March 2022, majority of whom are Independent Directors. The Chairman of AC, Mr Sim Kay Wah is a member of CPA Australia and the Malaysian Institute of Accountants.

The composition of the AC and the qualification of the members comply with Rule 15.09 (1) of the ACE Market Listing Requirement of Bursa Securities ("ACE LR").

The Committee carries out its duties and responsibilities in accordance with its Terms of Reference which is available on the Company's website at https://bahvest.com.my.

AC has the authority to investigate any matter within its Terms of Reference. In this regard, AC has full and unrestricted access to any information pertaining to the Group, co-operation from Management, direct communication channels with the external and internal auditors and reasonable resources to enable it to discharge its functions appropriately.

MEETINGS AND MINUTES

During the FYE 31 March 2022, the AC held a total of four (4) meetings. The Company Secretary was in attendance during the meetings and the Executive Directors ("EDs"), senior management personnel, Internal Auditors and External Auditors, where necessary, were invited to the meetings to deliberate on matters within their purview.

Minutes of each AC meeting were recorded and tabled for confirmation at the following AC meeting. After each AC meeting, the AC Chairman reported on matters deliberated to the Board for their notation including matters of significant concern as and when raised by the External Auditors or Internal Auditors. Matters reserved for Board approvals are tabled at Board meetings, and decisions by the Board and actions required are forwarded to the management for their action. AC may also take action by way of circular resolutions in lieu of convening a formal meeting.

The details of attendance of the AC members are as follows:

Committee Members	Meeting Attendance
Sim Kay Wah	4/4
Tan Sri Dato' Nik Hashim Bin Nik Ab. Rahman	4/4
Dato' Sri Dr. Md Kamal Bin Bilal	4/4

AUDIT COMMITTEE REPORT

(CONT'D)

SUMMARY OF ACTIVITIES OF THE AC

The AC's activities for the financial year under review comprise the followings:-

1. Financial Reporting

   - In overseeing the Group's financial reporting processes, AC reviewed and discussed the Group's unaudited quarterly financial results and final draft audited financial statements with the management and external auditors at the AC meetings, to ensure compliance with the applicable financial reporting standards and relevant regulatory requirements, as well as discussing the performance of the Group, before presentation to the Board for consideration and approval.

   - AC also reviewed and discussed on the impact of any changes/adoption of new accounting standards, auditing and regulatory issues and the impact to the Group's financial reporting processes such as the adoption of MFRS 16-*Leases*.

   - AC obtained confirmations from the financial controller that adequate processes and controls were in place for effective and efficient financial reporting and that reasonable estimates had been made in accordance with the requirements set out in the Malaysian Financial Reporting Standards, and that at every AC meeting held during the FYE 31 March 2022, unusual transactions including related party transactions, if any, had been reported to the AC.

2. Related Party Transaction and Conflict Of Interest

   - At each quarterly meeting, the AC reviewed the related party transactions ("RPT") and conflict of interest situation ("COI") that may arise within the Company and its Group.

   - AC reviewed and ensured that adequate oversight over the controls on the identification of the interested parties and possible conflict of interest situation before entering into transaction. At the same time ensure the RPTs had been conducted on the Group's normal commercial terms and were not detrimental to the Group's minority shareholders, and any disclosures (if any) that is required to be made are made in accordance with the ACE LR.

3. External Auditors

   - Reviewed and discussed with the external auditors, prior to the commencement of audit, the audit planning memorandum which include matters pertaining to the audit service team, scope of the work, significant risks and areas of key audit focus, basis in which the external auditors assess materiality, internal control plan, technical updates, independent policies and procedures, timeline, fraud responsibilities etc.

   - Reviewed and discussed with external auditors major audit findings arising from the external audit and resolution of the findings, including key audit matters (KAM) raised by the external auditors in their auditors' report. In the deliberation of KAM, AC was satisfied that sufficient control mechanisms have been implemented and that management has assessed and addressed the above said matters appropriately.

   - Met with the external auditors without the presence of executive Board members and management personnel.

   - Reviewed the audit fees before recommending to the Board for approval.

3. External Auditors (cont'd)

   - AC has reviewed the competency, resource capacity, objectivity, professionalism and the independence of the external auditors. AC has also reviewed the independence and suitability of the external auditors in the provision of non-audit services to the Company and the Group. In considering the nature and scope of non-audit services and related fees, AC was satisfied that they were not likely to impair their independence. Baker Tilly Monteiro Heng PLT has also given their independence assurance throughout their audit works for FYE 2022. Pursuant thereto, AC has recommended to the Board for the re-appointment of Baker Tilly Monteiro Heng PLT as external auditors of the Company at the forthcoming Annual General Meeting based on the suitability, performance, objectivity, professionalism and independence of the external auditors.

4. Internal Auditors

   - AC reviewed and approved the internal audit plan for financial year 2022 from the outsourced internal auditors to ensure that the scope and coverage of the internal audit on the operations of the Group is adequate and major risk areas are audited accordingly in line with the latest development of the Group and the business environment.

   - The outsourced internal auditors presented the internal audit reports and the AC considered the findings highlighted by the internal auditors and the responses from management. There were no major controls weaknesses noted from the internal audit reports.

5. Risk Management

   - 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.

   - During FYE 31 March 2022, 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.

6. Others

   - Reviewed the following prior to recommending to the Board for approval for inclusion in this Annual Report:

     o Statement of Management Discussion and Analysis;

     o Corporate Governance Overview Statement;

     o Audit Committee Report;

     o Statement on Risk Management and Internal control; and

     o Sustainability Statement.

AUDIT COMMITTEE REPORT

(CONT'D)

INTERNAL AUDIT FUNCTION

The Audit Committee is aware of the fact that an adequately resourced internal audit function is essential to provide independent and objective advice on the effectiveness of the Group's internal controls to the Audit Committee and thereafter to the Management.

The Group has outsourced the internal audit. The audit was performed and reviewed all operating units within the Group, with emphasis on principal risks areas. Risk based approach was adopted towards planning and conducts of audits which are partly guided by the Corporate Risk Management framework. The scope of work is as follows:-

- To evaluate the system of internal control based upon the Group's standard operational manuals and put forward recommendations to the Audit Committee and Senior Management;
- To assess the Group's Risk Management Framework and Corporate Governance Policy;
- To establish an overview of the adequacy and effectiveness of the system of Internal Control within the Group in order to provide reasonable assurance regarding the effectiveness and efficiency of operations and compliance with established policies, procedures, applicable laws and regulations;
- To address issues or concerns as requested by Audit Committee or Senior Management and review existing operations or internal audit programs to determine whether they are consistent with the Audit Committee's and/or Senior Management's expectation; and
- To review new system of internal controls implemented by the Group so as to determine the progress of the said system is consistent with the goals and objectives of the Group.

The AC Chairman then briefed the Board on the internal audit reports on any major findings.

The total fee paid to the outsourced Internal Auditors during FYE 31 March 2022 amounted to RM 30,000.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Introduction

The Board of Directors ("The Board") of Bahvest Resources Berhad ("Bahvest" or "the Company") is pleased to present the Statement on Risk Management and Internal Control ("Statement") for the financial year ended 31 March 2022 which outlines the main features of risk management and internal control of Bahvest and its subsidiary companies (collectively referred to as "Bahvest Group" or "the Group") during the financial year under review and up to the date of approval of this statement for inclusion in the Annual Report.

This Statement is prepared pursuant to Paragraph 15.26(b) of the ACE Market Listing Requirements ("ACE LR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Malaysian Code on Corporate Governance 2021 and as guided by Statement on Risk Management and Internal Control: Guidelines for Directors of Listed issuers ("the Guidance").

Responsibility of the Board

The Board is cognisant of its overall responsibility and is committed towards maintaining a sound risk management and internal control system within Bahvest Group. In demonstrating the Board's commitment and as part of discharging its stewardship responsibilities, continuous review of risk management and internal control system and processes are undertaken by the Board to ensure its adequacy and integrity.

The system of risk management and internal control is designed to manage risk to a reasonable level rather than to eliminate the risks that may impede the achievement of the Group's business objectives. It can only therefore provide reasonable and not absolute assurance against material misstatement, loss or contingencies. Notwithstanding the above, the Board actively oversees the risk identification and evaluation process as well as ensures the implementation of appropriate internal control system in managing the Group's business risks to an acceptable level.

Risk Management Framework

The Board acknowledges that risk management is an integral part of the Group's business operations and understands that certain business decisions require balancing of risk and return in order to facilitate the achievement of business objectives. In this regards, the Group's risk management framework continues to steer the risk management practices within the Group as well as to provide guidance on risk assessment and management, especially in the identification, assessment, mitigation, monitoring and reporting of inherent and emerging risks to safeguard the interests of the Group. Bahvest Group's Enterprise Risk Management ("ERM") Framework is guided by the global risk management standard, AS ISO31000:2018 Risk Management – Principles and Guidelines. Within the framework, the Group has outlined the risk governance structure and has established structured processes as well as clear guidelines for the identification, assessment, communication, monitoring and continual review of risks, including evaluation of the effectiveness of risk mitigation strategies and controls at the entity and operational levels.

The Board recognises that risk culture is crucial in ensuring an effective risk management framework within the Group. The Board continues to set the strategic direction for risk management, roles and responsibilities as well as risk reporting structures for the Group. The Board is assisted by the Risk Management Committee ("RMC") and executive management in cultivating and embedding risk awareness culture throughout the Group.

The RMC undertakes a risk oversight role, including inter-alia monitoring the implementation and enforcement of risk management policies, assessing risk management processes and frameworks, reviewing risk exposures, and ensuring adequate infrastructure and resources are put in place for effective risk management while executive management undertakes the execution roles in ensuring that all risk management strategies, policies and processes are implemented accordingly. The roles undertaken by RMC and executive management collectively guide the embedding of risk awareness in the Group's business operation.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(CONT'D)

Risk Management Framework (cont'd)

The risk management process implemented within the Group continues to define, highlight, report and manage the key business and operational risks faced by the businesses within the Group. The risk management processes are applied to all levels of activity in the Group, with the objective of establishing accountability for both risk identification and mitigation at the sources of risk. The periodic reporting to both the RMC and the Board on risk management activities undertaken by management keeps the RMC and the Board informed and updated on all aspects of risk within the businesses.

The Board has engaged an outsourced professional services firm to facilitate the Enterprise Risk Assessment ("ERA") for the Group for the FYE 2022. Results of ERA and the latest key risk profiles were presented to the RMC and subsequently brought to the attention of the Board. On an overall basis, the risk exposure of the Group has improved when compared to FYE 2021 in view of benefits derived from the implementation of risk responses (i.e. mitigation actions/ strategies) formulated by the Group in FYE 2021 as well as improvement in overall business environment. Status updates of the Group's top key risks identified and reported for the year are provided below:

Impact of Covid-19	• Government has lifted movement restrictions and economy is in the recovery stage. All employees have received two (2) doses of vaccination and the Group's operations has resumed back to normal. Nevertheless, the Group remains vigilant in monitoring the impact brought by Covid-19.
Liquidity risk (Cash flow constraint/ Inadequate working capital to support business operation)	• Cash flow model and financial projections are continuously used to manage cash inflows and cash outflows from time to time in order to effectively monitor the cash position and requirements of the Group. Cash reserves have been maintained to support the Group's operation needs.
Breakdown of critical equipment and machineries	• Proper equipment and machinery monitoring continues to be in place to ensure that scheduled preventive maintenance activities are being carried out on a timely basis.
Loss of key personnel in WRSB	• The Group has maintained close working relationship with all employees and is constantly promoting informal knowledge transfer from experienced personnel to the relevant subordinates. Furthermore, the Group has not faced any loss of key personnel in the past one year.

On a periodic basis, the Board with assistance of the professional services firm reviews the Group's enterprise risk management framework, system and processes with a view to ensure that the risk management processes and system remain adequate, effective and relevant to the Group's requirements as well as to promote continuous improvement to existing risk management practices.

Internal Audit Function

The Board assisted by Senior Management, designs and implements an internal control system that manages and reduces risks, promotes corporate governance, as well as ensure continuous compliance with applicable laws and regulatory requirements. Such internal control system is embedded within the Group's operations for effective control and monitoring.

The AC, with the assistance of an outsourced professional services firm, undertakes independent review on the adequacy, efficiency and effectiveness of the Group's system of internal control. The internal control activities are conducted in accordance with the scope of work specified in the internal audit plan, which is approved by the Audit Committee.

Internal Audit Function (cont'd)

During the financial year, audit reviews of key business areas were conducted and the results of such reviews were reported directly to the AC thereby highlighting significant internal audit deficiencies, recommendations for improvements, Management's response and proposed action plans. Follow-up reviews on the implementation of action plans are subsequently carried out to ensure that any deficiency highlighted have been addressed.

Based on the internal audit reviews conducted, none of the weaknesses noted has resulted in any material losses, contingencies or uncertainties that would require a separate disclosure in this Annual Report.

In addition to the internal audit function, the AC also receives reports from the external auditors that primarily communicates audit results as well as effectiveness of financial reporting controls. Where there are incidents of non-compliances, appropriate corrective actions have been taken to rectify them.

Other Key Elements of Internal Control Systems

In addition to the risk management and internal audit function, other key elements of the Group's internal control system and environment are described below:

Lines of Responsibility

The Group has defined clear lines of responsibility and delegated authority. The Board and its various committees are collectively responsible for overseeing the conduct of the Group's business with a view to ensure the long-term success of the Group and delivering sustainable value to its stakeholders. A clearly defined terms of reference is developed to govern the roles and responsibilities of the Board as well as the various Board committees. Furthermore, the Group has a formal organisational structure with clear lines of reporting and hierarchy, as well as proper delegation of responsibilities and accountability, which enable effective check and balances within Bahvest Group.

Integrity and Ethical Value

The Group aims to uphold highest level of integrity and ethical values in its business dealings. In line with such aspirations, the Group has put in place a Code of Ethics and Conduct to cultivate integrity and ethical behaviour in the organisation so as to educate all employees to maintain the required standards of integrity, ethics, responsibility and professionalism in all business dealings. The Group also adopts a zero-tolerance stance against any form of bribery and corruption. An Anti-Corruption Framework, in line with the Guideline on Adequate Procedures has been put in place and communicated to various stakeholders to demonstrate the Group's commitment toward combating corruption and bribery.

Whistleblowing Policy

The Group has established a whistleblowing policy and a whistleblowing channel which provides an avenue for its employees or third parties to report and raise genuine concerns on potential/ known misconduct, wrongdoings, corruption, fraud, waste or abuse. The Group continues to encourage the use of whistleblowing and is committed to investigate and ensure that appropriate actions are taken to resolve reported misconduct or corruption effectively. The Group further commits to protect the whistle-blower from any retaliation from the Group or its employees.

Assurance Statement by Key Management Team

The Board has received assurance from the Chief Executive Officer/ Managing Director stating that the Group's risk management and internal control systems have operated adequately and effectively, in all material aspects, for the financial year ended 31 March 2022 and up to the date of this Statement.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(CONT'D)

Review of this Statement by External Auditors

Pursuant to Paragraph 15.23 of the Listing Requirements, the external auditors have reviewed this Statement on Risk Management and Internal Control. Their review was performed in accordance with AAPG3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control, issued by the Malaysian Institute of Accountants.

The external auditors have reported to the Board that nothing has come to their attention that will cause them to believe that this Statement is inconsistent with their understanding of the Group's internal control and risk management in all material aspects, including the Board's review on the adequacy and integrity of the internal control system of the Group, or is factually inaccurate.

Conclusion

The Board is not aware of any significant risk management and internal control deficiency or weakness which had directly resulted in any material misstatement, losses or contingencies to the Group for the financial year under review. The Board is of the opinion that the risk management framework and internal control system of the Group are operating adequately and effectively in all material aspects. The Board shall endeavour to continually undertake reviews on the Group's system of risk management and internal control with a view to safeguard stakeholders' interest and preserve the Group's assets.

This statement is made in accordance with a resolution of the Board dated 18 July 2022.

SUSTAINABILITY STATEMENT

1. INTRODUCTION

1.1 SUSTAINABILITY REPORTING

Bahvest Resources Berhad ("Bahvest" or "the Company") and its subsidiary companies (collectively referred to as "Bahvest Group" or "the Group") are committed towards value creation for long-term sustainability for its stakeholders. To this end, the Group has embedded practices that focuses on building sustainability throughout the Group's operations.

Bahvest is pleased to present its Sustainability Statement ("Statement") that details the Group's Environmental, Social and Governance ("ESG") performances. This Statement communicates the Group's journey towards embedding sustainability in its business and daily operations whilst considering the interests of its stakeholders, environment and business growth. This Statement also sets out Bahvest approach towards sustainable development and management of ESG risks and opportunities, after considering the impact of its business endeavours on the ESG facets the Group interacts with.

1.2 SCOPE AND BOUNDARIES

Bahvest is an investment holding company with significant investments in mining operations. The scope of this Statement mainly relates to the Group's mining operations in Malaysia and where available, this Statement also provides comparative historical data.

1.3 REPORTING PERIOD AND CYCLE

This Statement describes the Group's sustainability activities covering both, financial and non-financial aspects for the period from 1 April 2021 to 31 March 2022, and up to the date of this Statement.

1.4 GUIDELINES AND STANDARDS

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

The Group has considered key sustainability matters as guided and defined by both the Global Reporting Initiative ("GRI") on Sustainability Standards and Bursa Malaysia's SRG.

1.5 GOVERNANCE STRUCTURE

The Board of Directors ("the Board") of Bahvest adopts a sustainability governance approach that is fit for the Group's purpose, after considering amongst others, its culture, needs, sustainability-related risks and opportunities and level of maturity of its sustainability intellect and readiness.

The diagram below highlights the key roles and responsibilities of Bahvest in relation to its ESG matters.

Board of Directors	• Oversees and govern the Group's sustainability agenda and strategy • Embeds ESG within the Group's business strategy • Approves the Group's ESG strategy
Chief Executive Officer ("CEO")	• Approves targets and market disclosures • Develop ESG strategy and recommend appropriate revision to the Board • Evaluate overall ESG risks and opportunities
Senior Management	• Support the Board and CEO in the implementation of sustainability-related strategies. • Oversees departments / functions in ensuring robustness of system in relation to ESG management • Report management targets • Develop plan and timeline for relevant disclosures

SUSTAINABILITY STATEMENT

(CONT'D)

2. MATERIALITY ASSESSMENT PROCESS

2.1 PURPOSE

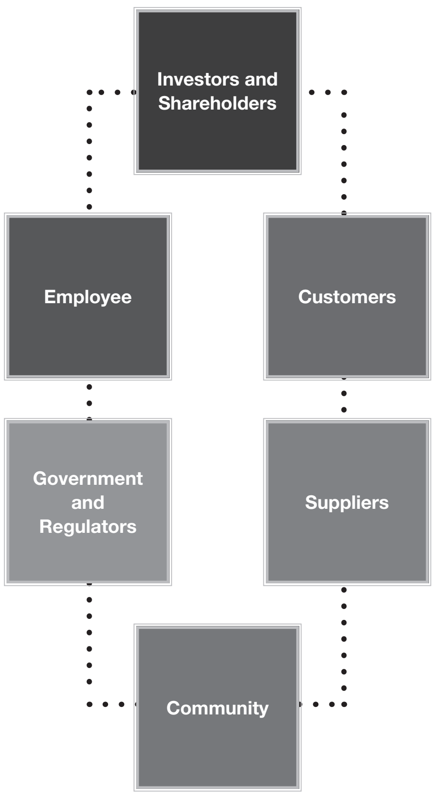
Purpose of the materiality assessment process is to allow Bahvest to optimise the Group's identification of material sustainability matters with a view to enhance the Group's strategic planning, implementation and business decision-making process and to enable stakeholders to make better informed decisions.

The Board considers it appropriate in this regard to limit the scope of materiality assessment and the sustainability disclosure to active companies within the Group. As the Group endeavours to enhance the socio-economic benefits and create a positive social and environmental impact on the immediate communities surrounding its operations in Tawau, the geographical boundary of the Group's materiality assessment is confined within Sabah only. The scope within which materiality applies as far as operations are concerned is limited to its mining operations only.

2.2 STAKEHOLDER ENGAGEMENT

Bahvest's stakeholders are parties who are impacted by the Group's business decisions and activities, and are parties whose actions and decisions will influence business growth. Bahvest continuously maintain a regular engagement with its stakeholders, which enables the Group to identify and align their key priorities and concerns within the Group's business practices and strategies towards addressing material sustainability matters.

Set out below are the various types of stakeholder engagements as well as the areas of interest identified together with the appropriate responses to address such interests arising:



Investors and Shareholders
- Business performance and directions
- Prospect and strategies
- Return on Investment
- Business continuity and risks
  - *Annual Reports*
  - *Annual General Meeting*

Customers
- Gold commodity prices
- Volume of extraction and regional supply
  - *Regular communication and constant engagement*

Suppliers
- Procurement process, volume of purchase payment terms and practices
- Business conduct, integrity and ethics
  - *Regular communication and constant engagement*

Community
- Social responsibility
- Lifestyle support
- Livelihood support
- Environmental awareness and education
  - *Corporate Social Responsibility ("CSR") events*

Government and Regulators
- Regulation and compliance to law, regulations and standards
- Accuracy, transparency and disclosure
  - *Reporting and communications*
  - *Monitoring of compliance (e.g. legal checklist)*

Employee
- Career development
- Employment equality
- Working environment and safety
- Remuneration, welfare and benefits
- Ethics, disciplinary and misconducts
  - *Internal and external training*
  - *Employee activities and events*

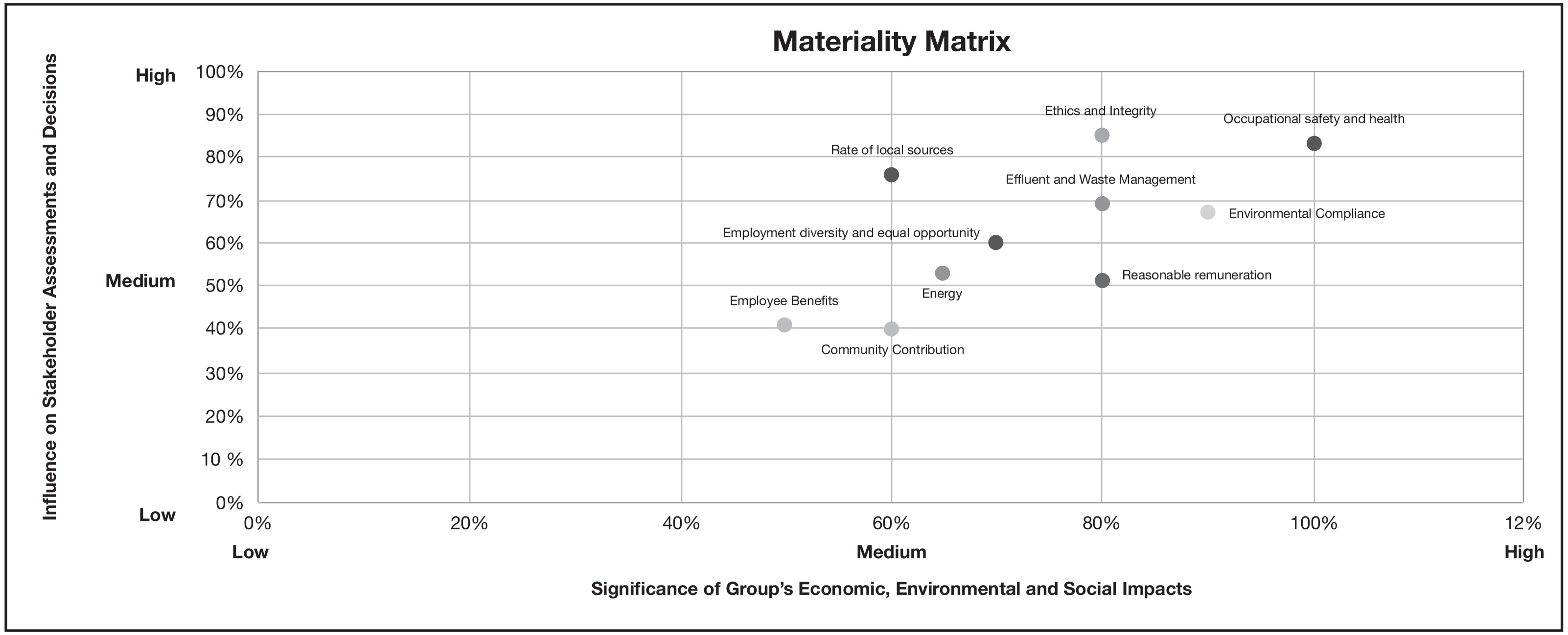
2. MATERIALITY ASSESSMENT PROCESS (CONT'D)

2.2 STAKEHOLDER ENGAGEMENT (CONT'D)

In accordance with the interest as well as feedback received from Bahvest's stakeholder groups during the engagement process, the Group identifies and prioritises issues and matters which are most relevant to each of the stakeholder groups. Each stakeholder group is assessed by the Board based on their influence on the achievement of Bahvest Group's strategic objectives and their impact on the Group's businesses and operations. With reference to the Sustainability Reporting Guide issued by Bursa Malaysia Securities Berhad ("Bursa Malaysia") and in the context of Bahvest Group, the prioritised sustainability matters that have been identified are provided overleaf.

2.3 PRIORITISATION OF SUSTAINABILITY MATTERS (MATERIALITY ASSESSMENT)

Bahvest Group's businesses come under the mining industry. Sustainability matters are considered material if they materially impact Bahvest's ESG sustainability areas or significantly influence the assessments and decisions of stakeholders. Pursuant to the stakeholders' engagement as mentioned above, a materiality assessment has been undertaken to identify and prioritise sustainability matters affecting Bahvest sustainability aspirations. The material sustainability matters affecting Bahvest are illustrated in the diagram below:



Therefore, the areas of focus on the Group's sustainability initiatives revolves around the matters identified above. The activities undertaken in respect of such matters are set out in the section overleaf:

SUSTAINABILITY STATEMENT

(CONT'D)

3. SUSTAINABILITY ACTIVITIES

3.1 ECONOMIC

3.1.1 Rate of Local Sources

Procurement

Bahvest Group remains committed in promoting local economic growth. The Group always source from local vendors if material supply is able to meet its requirements.

As at 31 March 2022, Bahvest has a total of 169 local vendors registered with companies within Bahvest Group. Comparison over the past 5 financial years is as below:

(i) Number of Vendors by Local and Non-Local

Number of Vendors	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Local	182	199	193	205	169
Non-Local	5	7	7	2	3
Total	187	206	200	207	172
Percentage (Local / Total)	**97%**	**97%**	**97%**	**99%**	**98%**

(ii) Purchase Value by Local and Non-Local (RM'000)

Purchase Amounts (RM'000)	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Local	13,396	37,806	68,367	67,497	96,816
Non-Local	555	5,448	2,913	307	6,542
Total	13,951	43,254	71,280	67,804	103,358
Percentage (Local / Total)	**96%**	**87%**	**96%**	**99.5%**	**94%**

The number of local vendors has decreased from 205 (FYE 2021) to 169 (FYE 2022) whilst an increase in purchase value has been experienced from RM67.50 million to RM96.82 million (approximately 43%). The decrease in number of local vendors were mainly due to the divestment of the aquaculture business. Thus, local vendors which were previously engaged under the aquaculture operations have been discontinued.

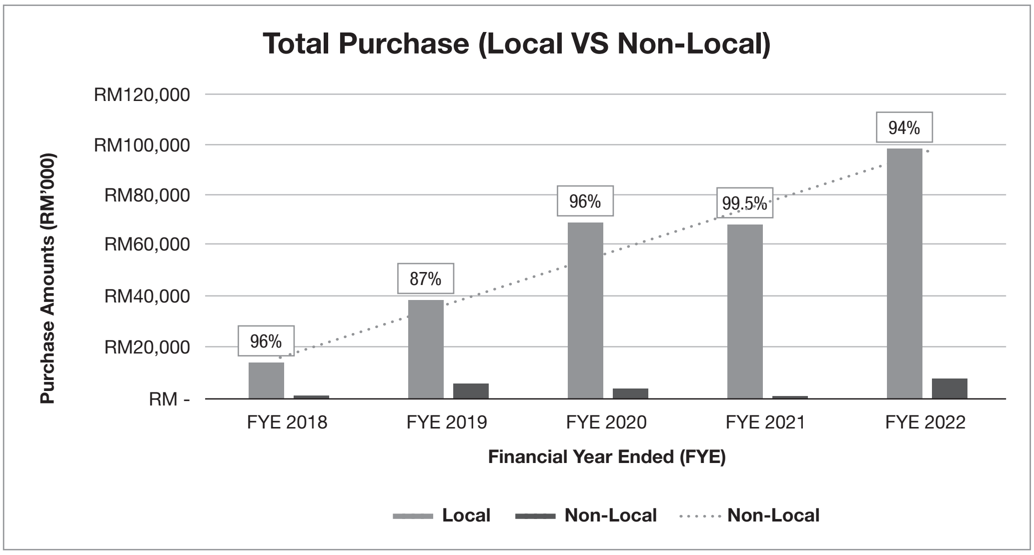
3. SUSTAINABILITY ACTIVITIES (CONT'D)

3.1 ECONOMIC (CONT'D)

3.1.1 Rate of Local Sources (cont'd)

Procurement (cont'd)

On the other hand, the number of non-local vendors has increased from 2 (FYE 2021) to 3 (FYE 2022) and this is accompanied by a significant increase in purchase value from RM0.31 million to RM6.54 million (approximately 2,010% increase). The significant increase in purchase value is mainly due to new machinery and parts (not available in Malaysia) being purchased from China for its mining operations during FYE 2022.



Significant increase in the purchase value from Non-Local Vendors has led to the Group achieving a Local/Total Percentage of 94% in FYE 2022 which is lower than 99.5% in FYE 2021. However, the purchase value of RM96.82 million from local vendors in FYE 2022 is the highest purchase value during the past 5 financial year periods.

3.1.2 Ethics and Integrity

Bahvest adopts a zero-tolerance stance against fraud, bribery and corruption. Apart from the Code of Conduct, the Group is guided by a set of robust corporate policies that address anti-bribery and corruption, anti-money laundering and whistleblowing. The Anti-Bribery & Corruption ("ABC") Policy is communicated to employees via various platforms, including the Group's corporate website, its training sessions and induction programmes.

Employees of the Group are expected to conduct themselves professionally and with integrity and shall not engage in any form of fraudulent acts. Any allegation or suspicion of fraud is taken seriously, and every employee is to uphold its promulgated business ethics when carrying out their tasks and responsibilities.

In FYE 2022, there was no bribery and corruption case reported and the Group aims to maintain this record by promoting a positive culture of compliance. None of the employee was disciplined or dismissed due to non-compliance with the ABC policy. Bahvest is committed towards preserving this record and will continue to uphold high integrity and business ethics standards.

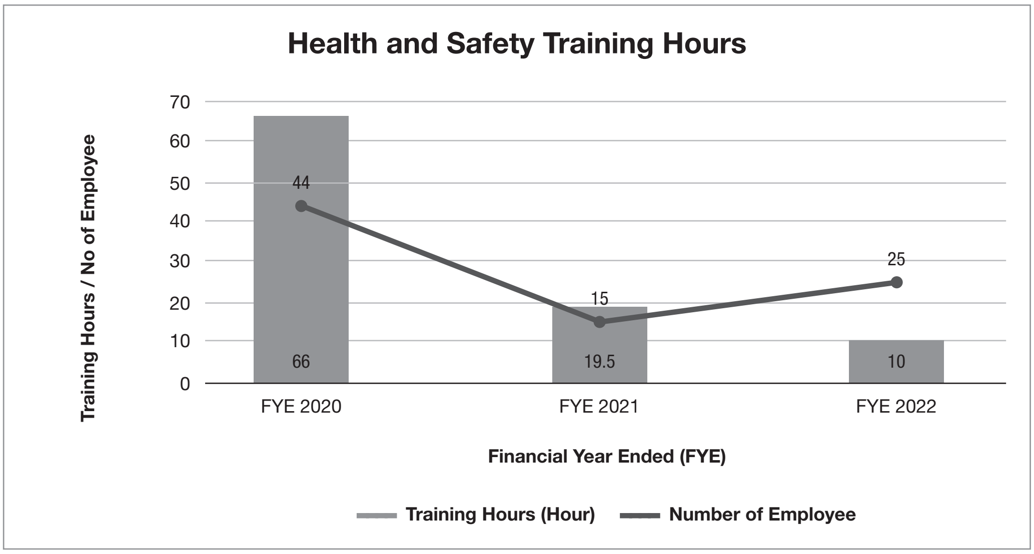
3. SUSTAINABILITY ACTIVITIES (CONT'D)

3.2 SOCIAL (CONT'D)

3.2.1 Occupational Safety and Health ("OSH") (cont'd)

Bahvest views occupational safety and health a priority as the safety and wellbeing of the Group's employees remains the Group's primary concern so as to ensure employees can work in safe and conducive environment. Various programmes and initiatives have been established to uphold employees and public safety at the mining operations. Amongst the principal initiatives undertaken by Management is the constant OSH training provided to employees.

During the FYE 31 March 2022, there are total 10 training hours provided to 25 employees by the Group.



Source: List of Health and Safety Training and Induction Training conducted at Wullersdorf Resources Sdn. Bhd. for the period from 1 April 2019 to 31 March 2022.

The training hours for employees in both FYE 2021 and FYE 2022 remain lower when compared to FYE 2020 mainly due to the implementation of movement control order in different phases during FYE 2021 and FYE 2022. Physical training is restricted to limited number of people due to the safety measures instituted to combat the spread of the COVID-19 virus.

Due to circumstances beyond the Group's control, there was one (1) minor Loss Time Injury ("LTI") reported during FYE 31 March 2022 (FYE 31 March 2021: 3 cases). Nevertheless, the Group remains committed towards preventing any occurrence of accident/ incident, and aims to keep the number of accidents or incidents to nil (0).

<u>Additional Safety Measure Imposed related to Covid-19</u>

For the protection of employees at work, additional safety measures have been imposed by the Group to prevent the spread of COVID-19 virus at the workplace. The Group has taken the initiative to purchase and supply hand sanitizers and face masks to employees at work. In addition, test kits and medical support were also provided by the Group to employees during this pandemic period.

3. SUSTAINABILITY ACTIVITIES (CONT'D)

3.2 SOCIAL (CONT'D)

3.2.1 Occupational Safety and Health ("OSH") (cont'd)

The cost related to Covid-19 safety measures incurred by the Group in FYE 2022 are as below:

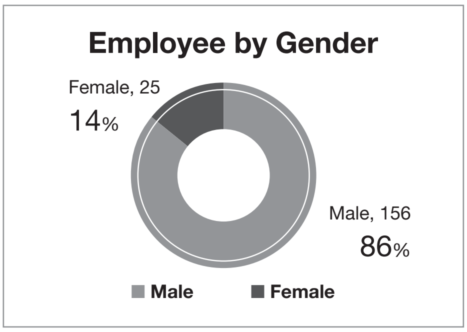
Staff Welfare	Amount (RM)	Percentage (%)
Mask	3,216	0.3%
Sanitizer	1,507	0.2%
Test Kits	127,280	14.5%
Medical support	745,553	85%
TOTAL	**877,556**	**100%**

According to the Group's Covid-19 prevention measures, employees are required to report to Management if they experience any symptom such as fever or cough. In addition, every employee is required to quarantine at home/designated place (i.e.: quarantine centre) if they have close contact with any positive Covid-19 patient or "Person Under Investigation" for Covid-19 or just return from vacation.

As at 31 March 2022, 181 employees have been fully vaccinated and have completed their booster doses as well.

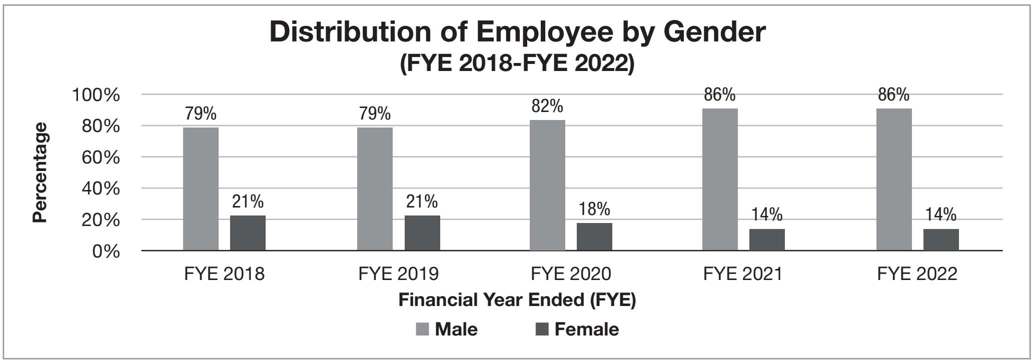
3.2.2 Employment Diversity and Equal Opportunity

The Group encourages employee diversity and promote equal employment opportunities for career advancement in the Group.



As at 31 March 2022, the Group's workforce comprising 156 male employees and 25 female employees, which represents 86% and 14% of total employees respectively.

The gender diversity ratio of male employees remained at 86% for both FYE 2021 and FYE 2022.



The Group's efforts in balancing gender diversity by increasing female participants remains a challenge considering the Group's primary business activity is in mining, which is located at the remote areas of Sabah. Moving forward, the Group will work towards having a better gender balance and diversity.

3. SUSTAINABILITY ACTIVITIES (CONT'D)

3.2 SOCIAL (CONT'D)

3.2.3 Reasonable Remuneration

Bahvest remunerates its employees in accordance with the prevailing labour laws and a standard wage is applied on both genders at entry level. In addition, the Group rewards its employees based on their merit and talent without any discrimination of gender or race or nationality.

The Group is steadfast towards providing equal employment opportunities to all employees. Consequently, wage equality and common standard benefits are provided to all employees regardless of gender or race or nationality throughout the Group.

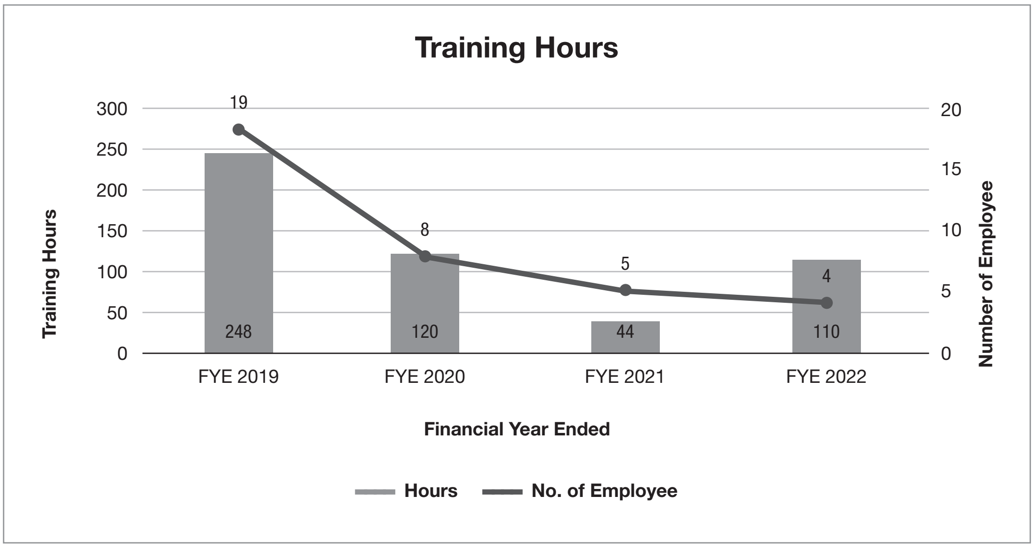
3.2.4 Employee Benefit

Training and Development

In recognition that employees are the Group's most prized assets and human capital development is one of the Group's primary emphasis, the Group has provided both internal or external training to employees on a regular basis so as to enhance their skills and competencies. As at 31 March 2022, there are total 110 training hours provided to identified employees of the Group.

Financial Year Ended (FYE)	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Training Hours (Hour)	248	120	44	110
Number of Employee	19	8	5	4
Amounts (RM)	**6,820**	**6,987**	**2,383**	**3,324**

Source: List of Training conducted for the period from 1 April 2018 to 31 March 2022.



Training hours of employees in FYE 2022 has increased when compared to the training hours of FYE 2021 as employees are adapting the new norm by taking initiative to attend online webinars provided by various professional bodies as the conduct of physical training is prohibitive during the time period when the government has implemented movement control orders to curb the spread of Covid-19 infections.

3. SUSTAINABILITY ACTIVITIES (CONT'D)

3.2 SOCIAL (CONT'D)

Work-Life Balance

Bahvest promotes a culture of work-life balance. In line with this, the Group provides paid marriage and maternity leave as the Group believed these have far reaching benefits on family development and inculcates loyalty to the Group.

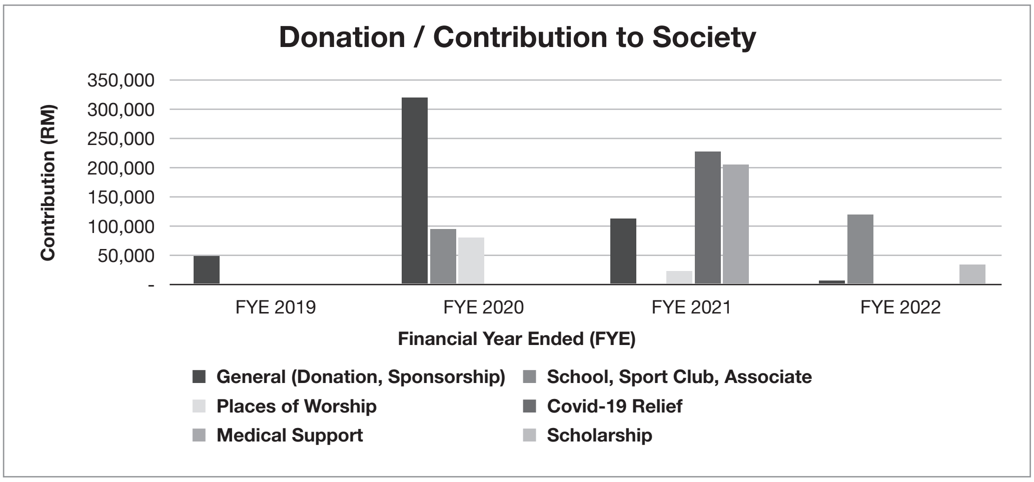
All employees are granted 3 days of paid leave for their first legal marriage, and all female employees are entitled to paid maternity leave for a period of no less than 60 consecutive days for each pregnancy.

3.2.5 Community Contribution

Bahvest is aware of its responsibility in preserving the well-being of local communities where the Group operates in. In line with this, various Corporate Social Responsibility ("CSR") activities have been organised and undertaken as part of the Group's efforts to create positive impact on the society at large. Contributions towards the community have been made in the form of donation, sponsorship, scholarship and medical support to schools, places of worship and Covid-19 relief in FYE 2019, FYE 2020, FYE 2021 and FYE 2022. Details of such contributions are as below:

Contribution (RM)	FYE 2019	FYE 2020	FYE 2021	FYE 2022
General (Donation, Sponsorship)	45,200	315,091	111,634	5,500
School, Sport Club, Associate	–	93,347	–	119,161
Places of Worship	–	79,768	22,354	–
Covid-19 Relief	–	–	223,939	–
Medical Support	–	–	203,129	–
Scholarship	–	–	–	32,548
Total (RM)	**45,200**	**488,206**	**561,056**	**157,209**

Source: List of donation and contribution by Wullersdorf Resources Sdn. Bhd. for the period from 1 April 2018 to 31 March 2022.



3. SUSTAINABILITY ACTIVITIES (CONT'D)

3.2 SOCIAL (CONT'D)

3.2.5 Community Contribution (cont'd)

Impact of Covid-19 pandemic has far reaching consequences as it does not only affect businesses but also impacts the local society and community at large. In fulfilling the Group's corporate social responsibility in FYE 2022, Bahvest has contributed to schools (76%) and provides scholarship (21%) which allows for more focus on students assistance and education recovery.

The Group believes in adopting good corporate social responsibility and will continuously endeavour to create values in the lives of the community the Group interacts with.

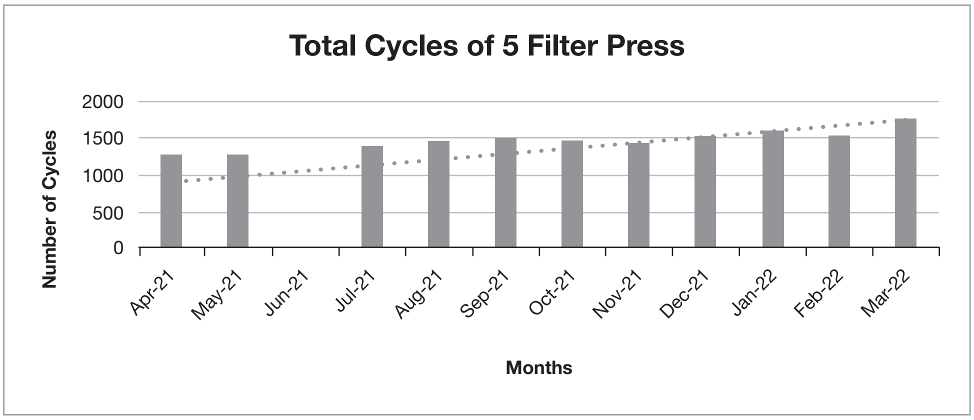
3.3 ENVIRONMENT

3.3.1 Effluent and Waste Management

One of the Group's sustainability objectives is to preserve the environment and maintain sustainable ecosystem where the Group operates in. Bahvest continuously identify opportunities for improvement in managing the effluent and waste generated from its mining activities. The efforts undertaken include:

(i) <u>Effective Tailing Management</u>

Leftover waste materials from processing plant are called tailings. On a regular basis, waste from the processing plant is channelled to the vacuum filter press machines, which separates the solid and water waste. The solid waste then is sun dried and stacked in the containment area whilst the water containing residual chemical is recycled back into the processing plant. This tailing management process is undertaken based on a green technology that minimises environmental impact and derived some operational cost saving. All 5 units filter press (one newly added into operation on 27 March 2022) are fully utilised simultaneously with only minor unscheduled maintenance undertaken throughout the year.



Source: Quarterly Site Progress Report from April 2021 to March 2022.

<u>Notes:</u>

1. No movement in June 2021 as operation slowdown under Movement Control Order imposed in Malaysia and maintenance works were undertaken for filter press during the month.
2. One set of filter press is added into operation and started on 27 March 2022.

3. SUSTAINABILITY ACTIVITIES (CONT'D)

3.3 ENVIRONMENT (CONT'D)

3.3.1 Effluent and Waste Management (cont'd)

(ii) Storage of Chemical and Diesel

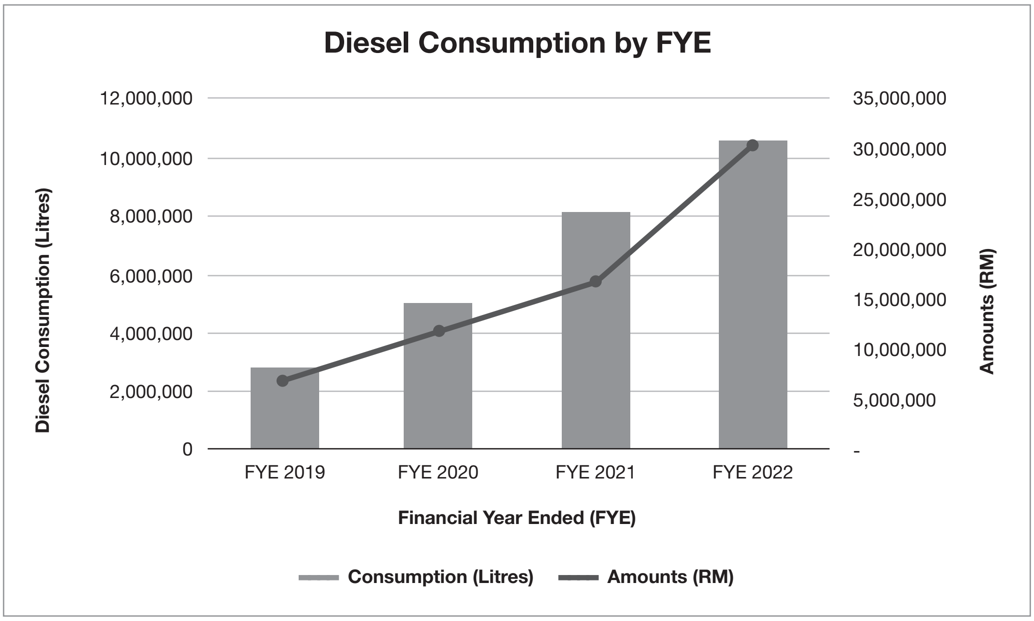
The Group's mining operations require storage of diesel and chemical in a protective casing and in appropriate bunkers and enclosures to prevent spillage. These bunkers provide protective layers that prevents any diesel and chemical spillages that may lead to contaminating the soil and flowing into the water catchment areas and water sources. Oil sumps were constructed to filter diesel wastes before diverting the wastes into the constructed drain that leads to the tailing storage facility.

3.3.2 Energy

The Group's mining operations at Bukit Mantri is in a remote location. Due to its remote location, supply of electricity via transmission lines is not available. As at 31 March 2022, there are ten (10) units diesel generators in operating to provide electricity for the entire mining area, covering the processing plant, offices, accommodation areas, other equipment and facilities areas.

Diesel consumption analysis by the respective financial years ended (FYE) are as below:

Diesel Consumption	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Consumption (Litres)	2,842,501	5,001,000	8,171,000	10,583,000
Amounts (RM)	6,889,534	11,877,515	16,629,085	30,268,645



Mining operations is a high energy-intensive operation which is mainly driven by the volume of mining activity. The total tonnage in movement of materials (including ore and waste) is recorded and use as an indicator on the volume of activity to monitor diesel consumption levels.

SUSTAINABILITY STATEMENT

(CONT'D)

3. SUSTAINABILITY ACTIVITIES (CONT'D)

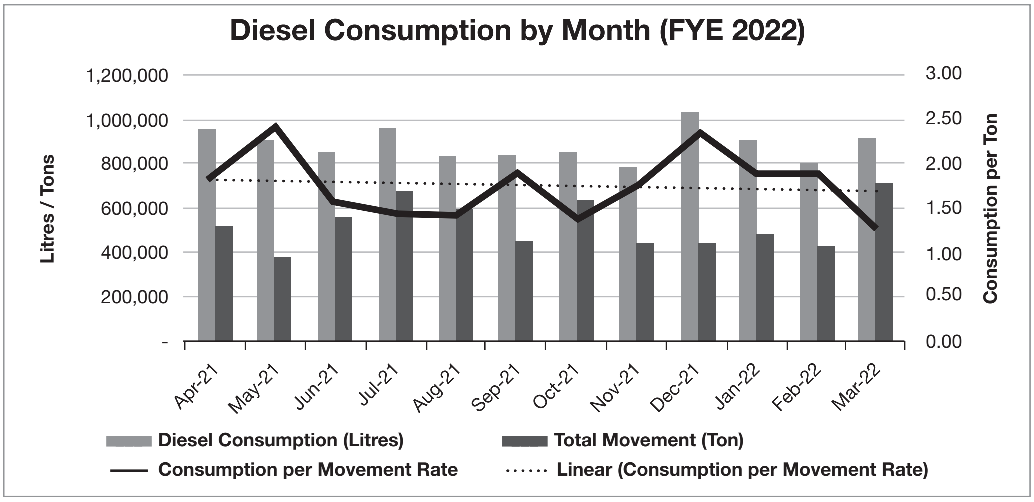
3.3 ENVIRONMENT (CONT'D)

3.3.2 Energy (cont'd)

The diesel consumption levels in comparison with the total movement of materials in the mining operations during FYE 2022 are as below:

Months	Diesel Consumption (Litres)	Total Movement (Ton)	Consumption per Movement Rate
Apr-21	951,000	511,646	1.86
May-21	902,000	374,874	2.41
Jun-21	845,000	551,871	1.53
Jul-21	959,000	672,429	1.43
Aug-21	820,000	586,646	1.40
Sep-21	838,000	442,350	1.89
Oct-21	844,000	626,779	1.35
Nov-21	777,000	437,172	1.78
Dec-21	1,035,000	431,812	2.40
Jan-22	896,000	477,194	1.88
Feb-22	802,000	428,324	1.87
Mar-22	914,000	700,894	1.30
Total	**10,583,000**	**6,241,991**	**1.70**

Source: Quarterly Site Progress Report and list of Diesel Consumption during FYE 2022.



The average consumption per ton during FYE 31 March 2022 is at 1.70 (FYE 2021: 1.72). During FYE 2022, the Group achieved a consumption rate that is lower than the average of 1.70. This was achieved in 5 months period that includes June 2021, July 2021, August 2021, October 2021 and March 2022. The lower consumption rate recorded in these months were mainly due to higher activity volume when compared to other months.

3. SUSTAINABILITY ACTIVITIES (CONT'D)

3.3 ENVIRONMENT (CONT'D)

3.3.3 Environmental Compliance

Bahvest Group is pleased to highlight that no incident of non-compliances with environmental laws and regulations or any environmental violation have been experienced in FYE 31 March 2022 (FYE 31 March 2021: NIL cases).

The Group regularly reviews the risks and potential issues related to the environment surrounding the mining operations. Actions and measures are taken to ensure all environmental factors, especially Water Quality, Air Quality and Noise Level are within the regulatory requirements, which include monitoring the environmental parameters for mining operations.

Water Quality

The Group recognise that mining activities have several consequences on water mainstreams and water sources. In order not to adversely impact the environment, the Group have implemented several measures in the mines such as sedimentation ponds, water quality tests and retention ponds.

(i) Sedimentation Ponds	(ii) Water Quality Tests
Five (5) sedimentation ponds, earth and slit trap had been constructed under Special Environmental Impact Assessment ("EIA") requirements and in accordance with Erosion and Sediment Control Plan dimension approved by Department of Irrigation and Drainage. The sedimentation ponds are used to capture surface runoffs due to mine development activities and during severe weather conditions. Accumulated sediments and silts have been removed and diverted to the tailing storage facilities.	Daily analysis for surface water quality is conducted at three (3) different sampling points within the mining's boundary. Water samples are tested for its pH level, temperature, dissolved oxygen total dissolved solid and conductivity amongst others. In addition, nine (9) groundwater points have been identified for testing and measurement of groundwater level. Test results for surface water quality indicated that the mining operations has complied with the permissible limits specified by Mineral Development (Effluent) Regulations 2016 and National Water Quality Standard (Malaysia). Details are set out overleaf.

SUSTAINABILITY STATEMENT

(CONT'D)

3. SUSTAINABILITY ACTIVITIES (CONT'D)

3.3 ENVIRONMENT (CONT'D)

3.3.3 Environmental Compliance (cont'd)

Water Quality (cont'd)

(ii) Water Quality Tests (cont'd)

Parameter	Compliance Parameter1	W12	W22	W62
pH Level	Range 6-9	7	7	7
Temperature (°C)	Below 40°C	27	25	25
Dissolve Oxygen (%)	Range 5-7	6	7	7
Total Dissolve Solid (ppm)	Not specific	79	67	71
Conductivity (µS/cm)	Not specific	115	89	93

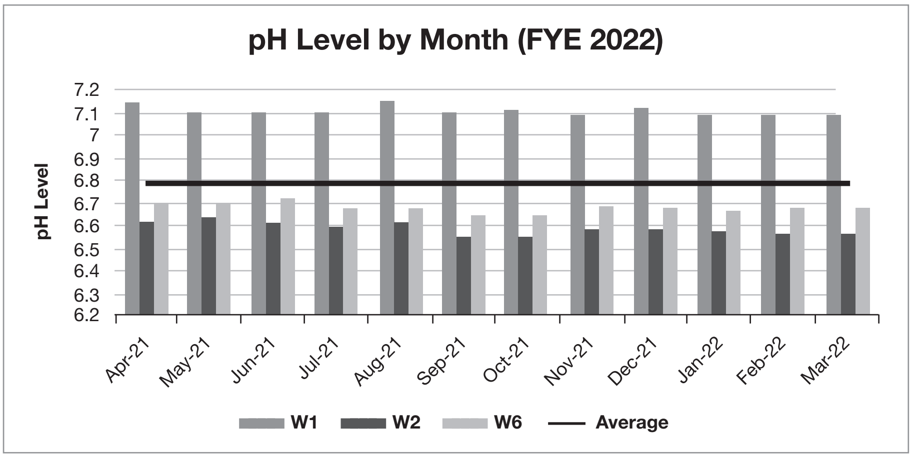
Notes:
1. Compliance Parameter as per Mineral Development (Effluent) Regulations 2016 and National Water Quality Standard (Malaysia)

2. Parameter for 3 sampling points are the average results for the FYE2022 from April 2021 to March 2022.

3. Sampling Point W1, W2, & W6 are specific onsite surface water discharge locations to monitor industry effluent. As per the conditions set out in the Special Environmental Impact Assessment ("SEIA"), surface water discharge is collected, tested and monitored on behalf of Environment Consultant (who will collect sample at these locations on a monthly basis) as instructed by Environment Protection Department ("EPD").

Details results of parameter by months as compare with average parameter of 3 sampling points (W1, W2 and W6) in FYE 2021 are as below:

a. pH Level by Month – Average at 6.8 pH level (FYE 2021: 6.9 pH level)



Source: Quarterly Site Progress Report during FYE 2022.

Despite Surface Water Sampling Point 1 (W1) having a pH level higher than average of 6.8, the pH levels recorded are still within the compliance parameter (pH 6-9) as specified under the Mineral Development (Effluent) Regulations 2016.

3. SUSTAINABILITY ACTIVITIES (CONT'D)

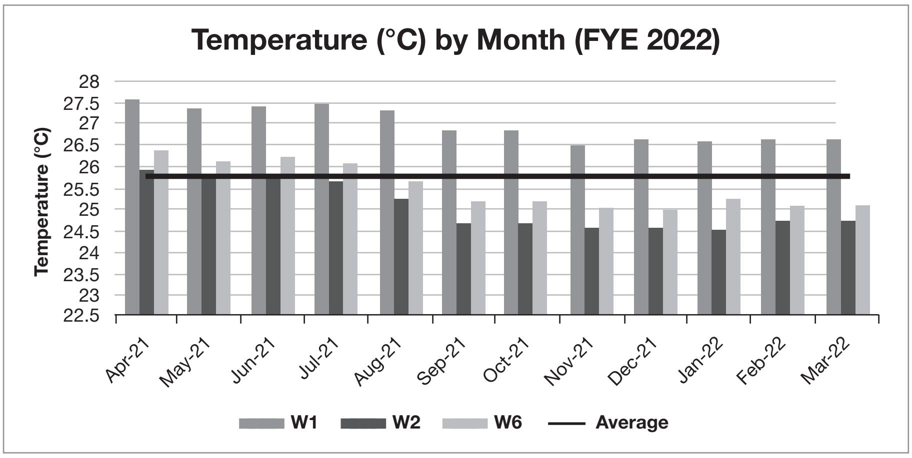
3.3 ENVIRONMENT (CONT'D)

3.3.3 Environmental Compliance (cont'd)

Water Quality (cont'd)

(ii) Water Quality Tests (cont'd)

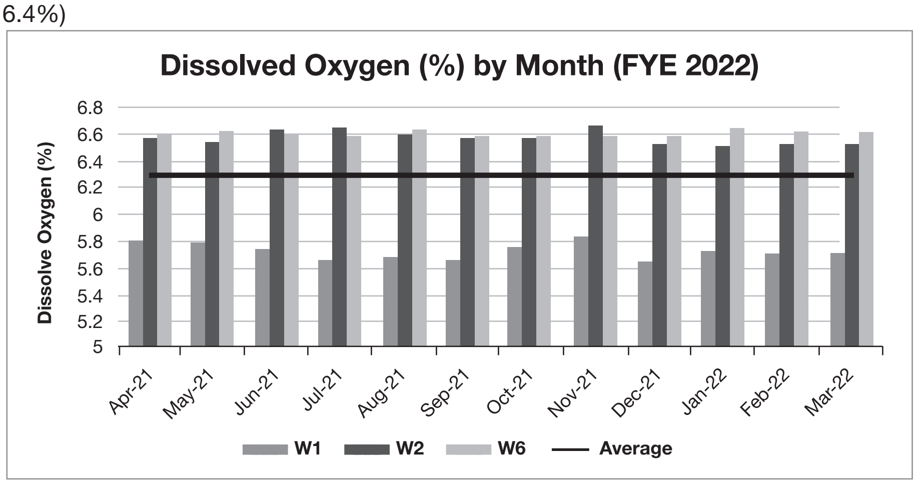
b. Temperature (°C) by Month – Average at 25.8°C (FYE2021: 26.9°C)



Source: Quarterly Site Progress Report during FYE 2022.

In certain months, the Surface Water Sampling Points (W1, W2, and W6) are having a higher temperature than average of 25.8°C. However, this temperature is still much lower than the compliance parameter of 40°C as specified under the Mineral Development (Effluent) Regulations 2016.

c. Dissolved Oxygen (%) by Month – Average Dissolve Oxygen at 6.3% (FYE 2021: 6.4%)



Source: Quarterly Site Progress Report during FYE 2022.

In certain months, the Surface Water Sampling Points (W2, and W6) are having a higher dissolved oxygen percentage than average of 6.3%. However, the dissolved oxygen percentage is still within the compliance parameter (5-7%) as specified under the National Water Quality Standard (Malaysia).

3. SUSTAINABILITY ACTIVITIES (CONT'D)

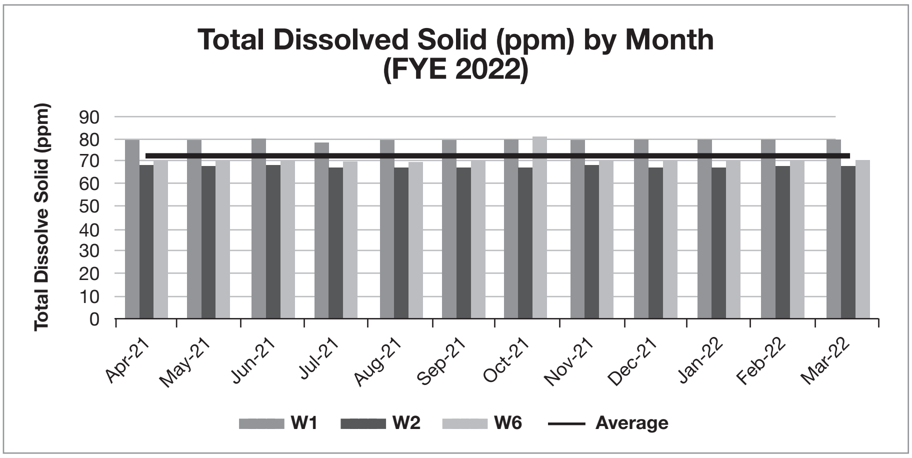
3.3 ENVIRONMENT (CONT'D)

3.3.3 Environmental Compliance (cont'd)

Water Quality (cont'd)

(ii) Water Quality Tests (cont'd)

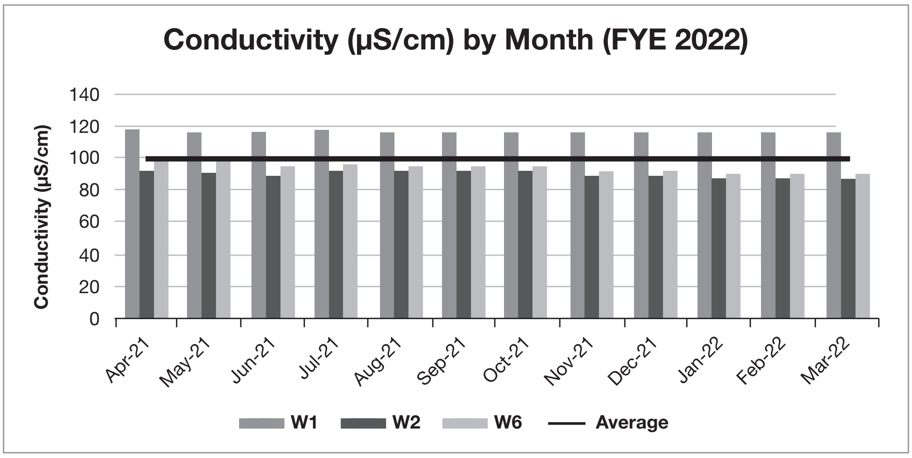
d. Total Dissolved Solid (ppm) by Month – Average at 72.4ppm (FYE 2021: 74.4ppm)



Source: Quarterly Site Progress Report during FYE 2022.

Surface Water Sampling Point 1 (W1) is having a higher total dissolved solid (ppm) than the average of 72.4ppm when compared against the other two (2) Surface Water Sampling Point (W2 and W6). However, the required ppm is not specified under the National Water Quality Standard (Malaysia), and there is no non-compliance identified or highlighted by the Group's environment consultant during FYE 2022.

a. Conductivity (µS/cm) by Month – Average at 99.0 µS/cm (FYE 2021: 96.2 µS/cm)



Source: Quarterly Site Progress Report during FYE 2022.

Surface Water Sampling Point 1 (W1) is having a higher conductivity (µS/cm) than average of 99.0 µS/cm when compared against the other two (2) Surface Water Sampling Point (W2 and W6). However, the required µS/cm is not specified under the National Water Quality Standard (Malaysia), and there is no non-compliance identified or highlighted by our Environment Consultant during FYE 2022.

3. SUSTAINABILITY ACTIVITIES (CONT'D)

3.3 ENVIRONMENT (CONT'D)

3.3.3 Environmental Compliance (cont'd)

Water Quality (cont'd)

(iii) Retention Ponds

Retention ponds are used to collect rainwater and rock stream water. These waters will then be processed and recycled for use at the processing plant as well as treated for safe consumption.

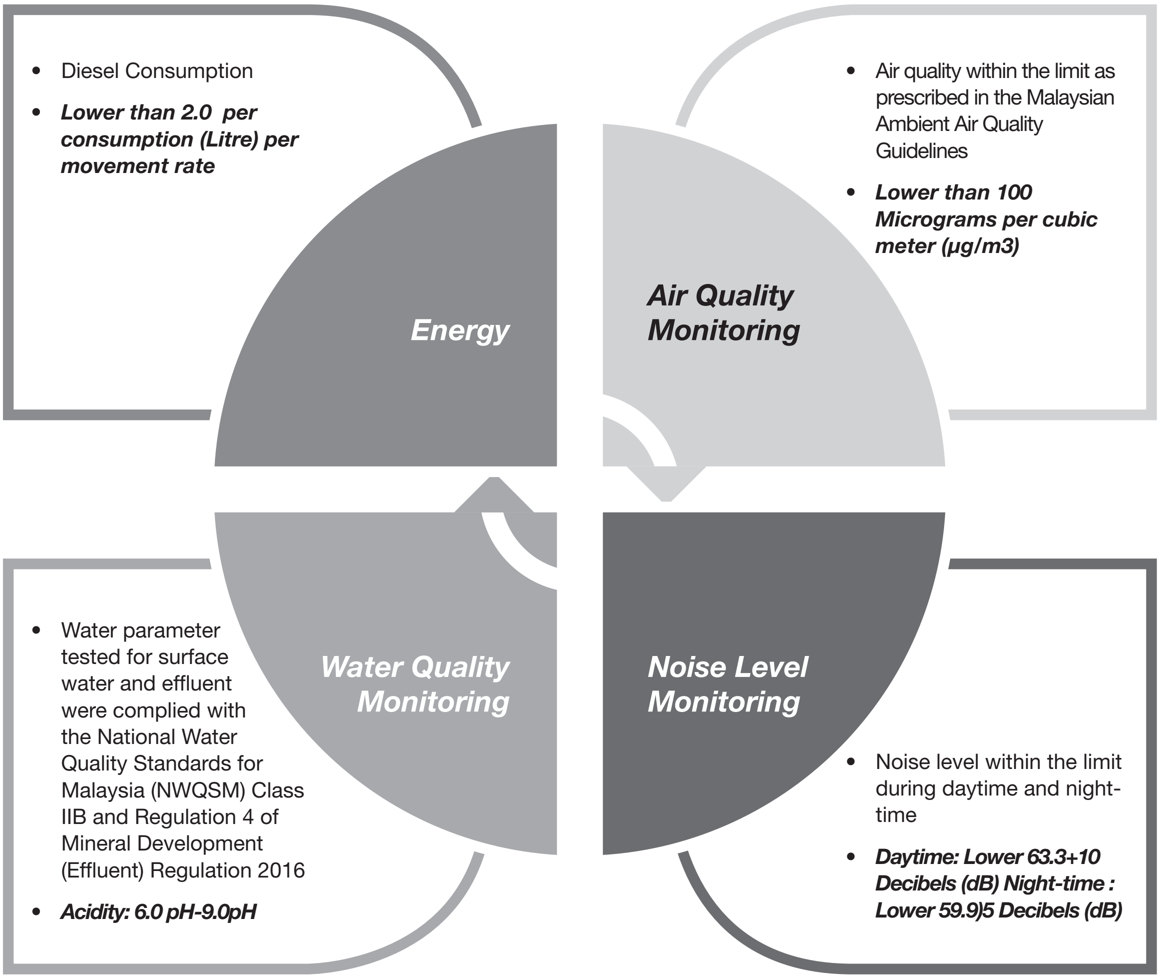
Air Quality	Noise Level
The Group mining activities have impact on air quality of the environment. In order to minimise the impact to the environment, a regular monitoring on Particulate Matter (PM10) in ambient air is conducted through air sampling at predetermined locations as specified by the environment consultant. The PM10 sampling obtained at the sample location near to the workers quarters at the mining site by the environment consultant on 7 July 2021 and 12 October 2021 yielded a concentration of 45.41 µg/m3 and 58.41 µg/m3 respectively, which is much lower than the permissible limit of 100 µg/m3 prescribed under the Malaysian Ambient Air Quality Guidelines.	The Group is aware that drilling and mining of hard rock (i.e.: sulphide and oxide ore) causes excessive noise to the environment. Ambient Noise Quality level monitoring are regularly conducted by a registered consultant to assess the noise levels throughout the mining area and ensure noise levels are kept within the maximum permissible sound level. The assessment results indicated noise levels detected at all monitoring stations are below the recommended limit under the Schedule 2 of the Planning Guidelines for Environmental Noise Limits and Control published by the Department of Environment.

Among measures implemented to manage noise levels 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 used of ear cups / covers at certain locations of the mine; and*
- *Provision of training and awareness to the workers in relation to noise monitoring.*

4. KEY PERFORMANCE INDICATOR ("KPI")

As part of Bahvest's sustainability efforts, below are the benchmarks to be created/enacted in order to enable the Group to achieve its internal sustainability goals:



CONCLUSION

The above initiatives are lead indicators on Bahvest's commitment towards sustainability and for the betterment of its environment, social and governance aspects the Group operates in. The journey towards attaining sustainable growth and long-term profitability is a continuous and dedicated one, and the principles of sustainability have been incorporated into the Group's culture, value system, aspirations and approach.

ADDITIONAL COMPLIANCE INFORMATION

1. OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES

1.1 The movement of ESOS Options during the financial ended 31 March 2022 as follows:

			Number of options over ordinary shares		
Date of offer	**Exercise price before bonus issue**	**Exercise price after bonus issue**	**At 1.4.2021**	**Exercised**	**At 31.3.2022**
15.01.2013	RM0.70	RM0.35	42,489,400	(3,380,000)	39,109,400
25.08.2016	RM1.00	RM0.50	200,000	–	200,000
11.03.2017	RM0.75	RM0.37	1,824,600	–	1,824,600
02.07.2018	RM1.05	RM0.52	1,540,060	–	1,540,060
			46,054,060	(3,380,000)	42,674,060

Further details of the options granted to Directors and Senior Management during the financial year ended 31 March 2022 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 2022	85% of ordinary shares available under the ESOS	70% of ordinary shares available under the ESOS

Further details of the options granted to Directors and Senior Management during the financial year ended 31 March 2022 and since commencement of the ESOS are as follow:

	Number of options over ordinary shares			
	Since Commencement	**Bonus issued**	**Total Exercised as at the Financial Year Ended 31 March 2022**	**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	(5,519,500)	10,356,500

ADDITIONAL COMPLIANCE INFORMATION

(CONT'D)

2. UTILISATION OF PROCEEDS

There were no proceeds raised from any corporate proposals during the financial year ended 31 March 2022.

3. AUDIT AND NON-AUDIT FEES

The audit and non-audit fee paid or payable to the External Auditors, Baker Tilly Monteiro Heng PLT for the financial year ended 31 March 2022 as follows:

Company	Audit Fees (RM)	Non-Audit Fees (RM)
Bahvest Resources Berhad ("Bahvest")	115,000	5,000
Bahvest's Subsidiaries	130,000	-
Total	245,000	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 2022, except for transactions disclosed in the financial statements on pages 119 to 120 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 subsidiaries during the financial year ended 31 March 2022.

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DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2022.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of its subsidiaries are disclosed in Note 7 to the financial statements.

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

RESULTS

	Group RM	Company RM
Profit/(Loss) for the financial year, net of tax	12,420,223	(3,182,269)
Attributable to:		
Owners of the Company	12,420,223	(3,182,269)

DIVIDENDS

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

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

RESERVES OR PROVISIONS

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

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that there were no known bad debts and that adequate allowance had been made for doubtful debts.

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

CURRENT ASSETS

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

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

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

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

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

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

CHANGE OF CIRCUMSTANCES

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

ITEMS OF MATERIAL AND UNUSUAL NATURE

In the opinion of the directors,

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

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

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company issued 3,380,000 new ordinary shares from the exercise of the Company's Employees Shares Option Scheme ("ESOS") as disclosed in Note 12 to the financial statements which amounted to RM1,594,177.

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

There were no issue of debentures during the financial year.

DIRECTORS' REPORT

(CONT'D)

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up the unissued shares of the Company during the financial year other than the issue of options pursuant to the Employee's Share Option Scheme ("ESOS").

The salient features and other details of the ESOS are disclosed in Note 13 to the financial statements.

The options offered for the subscription of unissued ordinary shares and the respective exercise prices are as follows:

	Exercise price before bonus issue	Exercise price after bonus issue	Number of options over ordinary shares			
Date of offer			At 1.4.2021	Granted	Exercised	At 31.3.2022
15 January 2013	0.70	0.35	42,489,400	–	(3,380,000)	39,109,400
25 August 2016	1.00	0.50	200,000	–	–	200,000
11 March 2017	0.75	0.37	1,824,600	–	–	1,824,600
2 July 2018	1.05	0.52	1,540,060	–	–	1,540,060
			46,054,060	–	(3,380,000)	42,674,060

DIRECTORS

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

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

* Directors of the Company and certain subsidiaries

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

Chong Khing Chung
Chong Tzu Khen

DIRECTORS' INTERESTS

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

Interests in the Company

	Number of ordinary shares			
	At 1.4.2021	**Bought**	**Sold**	**At 31.3.2022**
Direct interests:				
Dato' Sri Dr. Md Kamal Bin Bilal	9,361,000	–	–	9,361,000
Datuk Lo Fui Ming	197,057,690	13,335,100	(10,200,000)	200,192,790
Lo Teck Yong	10,776,160	–	(250,000)	10,526,160
Indirect interest:				
Datuk Lo Fui Ming*	588,000	–	–	588,000

	Number of options over ordinary shares			
	At 1.4.2021	**Granted**	**Exercised**	**At 31.3.2022**
Direct interest:				
Lo Teck Yong	10,356,500	–	–	10,356,500
Indirect interest:				
Datuk Lo Fui Ming*	9,652,000	–	–	9,652,000

	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			
	At 1.4.2021	**Bought**	**Sold**	**At 31.3.2022**
Direct interests:				
Dato' Sri Dr. Md Kamal Bin Bilal	3,129,460	–	–	3,129,460
Datuk Lo Fui Ming	91,680,394	1,391,600	–	93,071,994
Lo Teck Yong	6,409,330	–	–	6,409,330
Indirect interest:				
Datuk Lo Fui Ming*	70,000	–	–	70,000

* Shares held through his child

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

DIRECTORS' REPORT

(CONT'D)

DIRECTORS' BENEFITS

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

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

	Group RM	Company RM
Directors of the Company		
- Fees	276,000	276,000
- Salaries and wages	840,000	396,000
- Other emoluments	93,832	57,036
	1,209,832	729,036
Directors of the subsidiaries		
- Salaries and wages	468,000	–
- Other emoluments	49,036	–
	517,036	–

Neither during, nor at the end of the financial year, was the Company a party to any arrangements where the object is to enable the directors to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate, other than those arising from the share options granted under the ESOS.

INDEMNITY TO DIRECTORS AND OFFICERS

During the financial year, there were no indemnity given to or insurance effected for any directors and officers of the Company.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 7 to the financial statements.

SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Details of significant events during and subsequent to the end of the financial year are disclosed in Note 31 to the financial statements.

AUDITORS

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

The auditors' remuneration of the Group and of the Company during the financial year are RM245,000 and RM115,000 respectively.

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

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

………………………………
DATUK LO FUI MING
Director

………………………………
LO TECK YONG
Director

Date: 18 July 2022

STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
ASSETS					
Non-current assets					
Property, plant and equipment	5	64,010,664	61,726,157	10,035	6,434
Intangible assets	6	67,667,151	70,196,765	67,588,651	70,115,330
Investment in subsidiaries	7	–	–	5,051,034	5,051,034
Trade receivables	10	1,465,465	2,345,995	–	–
Total non-current assets		133,143,280	134,268,917	72,649,720	75,172,798
Current assets					
Inventories	9	9,347,487	4,555,148	–	–
Trade and other receivables	10	14,426,177	8,430,738	–	–
Current tax assets		323,207	1,458,047	2,096	3,427
Cash and bank balances	11	7,660,672	2,283,713	328,701	112,797
Total current assets		31,757,543	16,727,646	330,797	116,224
TOTAL ASSETS		164,900,823	150,996,563	72,980,517	75,289,022
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	12	68,721,143	292,126,966	68,721,143	292,126,966
Other reserve	13	5,065,709	5,476,886	5,065,709	5,476,886
Retained earnings/ (Accumulated losses)		47,114,768	(190,305,455)	(5,348,698)	(227,166,429)
TOTAL EQUITY		120,901,620	107,298,397	68,438,154	70,437,423
Non-current liabilities					
Loans and borrowings	14	9,944,885	12,819,759	–	–
Deferred tax liabilities	15	1,793,493	1,350,302	–	–
Total non-current liabilities		11,738,378	14,170,061	–	–
Current liabilities					
Loans and borrowings	14	7,079,126	8,627,507	–	–
Trade and other payables	16	23,922,025	20,900,598	4,542,363	4,851,599
Current tax liabilities		1,259,674	–	–	–
Total current liabilities		32,260,825	29,528,105	4,542,363	4,851,599
TOTAL LIABILITIES		43,999,203	43,698,166	4,542,363	4,851,599
TOTAL EQUITY AND LIABILITIES		164,900,823	150,996,563	72,980,517	75,289,022

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

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

		Group		Company	
		2022	2021	2022	2021
	Note	RM	RM	RM	RM
Revenue	17	149,301,842	95,855,428	–	–
Cost of sales		(118,142,516)	(76,698,390)	–	–
Gross profit		31,159,326	19,157,038	–	–
Other income	18	3,817,684	5,548,634	4,182,044	6,018,835
Fair value loss on biological assets		–	(5,838,819)	–	–
Impairment on financial instruments	19	(976,861)	(765,714)	(3,229,694)	(7,251,620)
Impairment loss on property, plant and equipment		–	(12,108,576)	–	–
Other operating expenses	20	(2,570,131)	(4,156,274)	(2,526,679)	(2,526,679)
Selling and distribution expenses		–	(331,735)	–	–
Administrative expenses		(10,500,929)	(10,772,973)	(1,607,940)	(947,562)
Profit/(Loss) from operations		20,929,089	(9,268,419)	(3,182,269)	(4,707,026)
Finance costs	21	(1,381,304)	(1,293,392)	–	–
Profit/(Loss) before taxation	22	19,547,785	(10,561,811)	(3,182,269)	(4,707,026)
Income tax expense	24	(7,127,562)	(3,571,790)	–	–
Profit/(Loss) for the financial year, representing total comprehensive income/(loss) for the financial year		12,420,223	(14,133,601)	(3,182,269)	(4,707,026)
Profit/(Loss) per share attributable to owners of the Company (sen per share)					
Basic earnings/(loss) per share	25	1.01	(1.15)		
Diluted earnings/(loss) per share	25	0.66	(1.15)		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

Group	Note	<--Attributable to owners of the Company--> Share capital RM	Other reserve RM	Accumulated losses RM	Total equity RM
At 1 April 2020		**288,796,182**	**6,332,230**	**(176,171,854)**	**118,956,558**
Total comprehensive loss for the financial year					
Loss for the financial year, representing total comprehensive loss		–	–	(14,133,601)	(14,133,601)
Transactions with owners					
Issued of ordinary shares pursuant to ESOS, representing total transactions with owners	12	3,330,784	(855,344)	–	2,475,440
At 31 March 2021		292,126,966	5,476,886	(190,305,455)	107,298,397

Group	Note	<--Attributable to owners of the Company--> Share capital RM	Other reserve RM	(Accumulated losses)/ Retained earnings RM	Total equity RM
At 1 April 2021		292,126,966	5,476,886	(190,305,455)	107,298,397
Total comprehensive income for the financial year					
Profit for the financial year, representing total comprehensive income		–	–	12,420,223	12,420,223
Transactions with owners					
Issued of ordinary shares pursuant to ESOS	12	1,594,177	(411,177)	–	1,183,000
Share capital reduction	12	(225,000,000)	–	225,000,000	–
Total transactions with owners		(223,405,823)	(411,177)	225,000,000	1,183,000
At 31 March 2022		68,721,143	5,065,709	47,114,768	120,901,620

STATEMENTS OF CHANGES IN EQUITY

(CONT'D)

Company	Note	<--Attributable to owners of the Company--> Share capital RM	Other reserve RM	Accumulated losses RM	Total equity RM
At 1 April 2020		288,796,182	6,332,230	(222,459,403)	72,669,009
Total comprehensive loss for the financial year					
Loss for the financial year, representing total comprehensive loss		–	–	(4,707,026)	(4,707,026)
Transactions with owners					
Issued of ordinary shares pursuant to ESOS, representing total transactions with owners	12	3,330,784	(855,344)	–	2,475,440
At 31 March 2021		292,126,966	5,476,886	(227,166,429)	70,437,423

Company	Note	<--Attributable to owners of the Company--> Share capital RM	Other reserve RM	Accumulated losses RM	Total equity RM
At 1 April 2021		292,126,966	5,476,886	(227,166,429)	70,437,423
Total comprehensive loss for the financial year					
Loss for the financial year, representing total comprehensive loss		–	–	(3,182,269)	(3,182,269)
Transactions with owners					
Issued of ordinary shares pursuant to ESOS	12	1,594,177	(411,177)	–	1,183,000
Share capital reduction		(225,000,000)	–	225,000,000	–
Total transactions with owners		(223,405,823)	(411,177)	225,000,000	1,183,000
At 31 March 2022		68,721,143	5,065,709	(5,348,698)	68,438,154

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

		Group		Company	
		2022	2021	2022	2021
	Note	RM	RM	RM	RM
Cash flows from operating activities:					
Profit/(Loss) before tax		19,547,785	(10,561,811)	(3,182,269)	(4,707,026)
Adjustments for:					
Amortisation of broodstocks	8	–	3,740	–	–
Amortisation of government grant		–	(2,262,044)	–	–
Amortisation of intangible assets	6	2,529,614	2,529,614	2,526,679	2,526,679
Depreciation of property, plant and equipment	5	11,153,693	11,918,952	963	754
Fair value adjustment on receivables measured at amortised cost		(174,262)	771,656	–	–
Fair value loss on biological assets	8	–	5,838,819	–	–
Fatalities charge on broodstocks	8	–	63,781	–	–
Fatalities charge on fishfry	8	–	737,841	–	–
(Gain)/Loss on disposal of property, plant and equipment	5	–	(121,041)	–	–
Gain on lease modification		(206)	(10,927)	–	–
Impairment on financial instruments	19	976,861	765,714	3,229,694	7,251,620
Impairment loss on goodwill	6	–	32,176	–	–
Inventories written off		–	17,466	–	–
Interest expenses		1,381,304	1,293,392	–	–
Interest income		(69,227)	(221,433)	–	–
Net impairment loss on property, plant and equipment		–	11,074,341	–	–
Rent concessions income		(4,200)	–	–	–
Reversal of impairment loss on amount owing by a subsidiary		–	–	(4,182,044)	(6,018,835)
Reversal of impairment loss on trade receivables		(5,596)	(183,896)	–	–
Reversal of impairment loss on other receivables		(4,357)	–	–	–
Unrealised foreign exchange gain		(970,919)	(719,515)	–	–
Unrealised foreign exchange loss		19,606	14,542	–	–
Operating profit/(loss) before changes in working capital, carried forward		34,380,096	20,981,367	(1,606,977)	(946,808)

STATEMENTS OF CASH FLOWS

(CONT'D)

	Note	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
Cash flows from operating activities: (cont'd)					
Operating profit/(loss) before changes in working capital, brought forward		34,380,096	20,981,367	(1,606,977)	(946,808)
Changes in working capital:					
Biological assets		–	(4,216,358)	–	–
Receivables		(4,936,636)	(7,188,411)	–	21,500
Inventories		(4,792,339)	(1,129,461)	–	–
Payables		3,267,119	675,337	(55,065)	92,281
Net cash generated from/ (used in) operations		27,918,240	9,122,474	(1,662,042)	(833,027)
Net income tax (paid)/refunded		(4,289,857)	(3,309,314)	1,331	(703)
Interest paid		(1,381,304)	(1,293,392)	–	–
Interest received		69,227	221,433	–	–
Net cash from/(used in) operating activities		22,316,306	4,741,201	(1,660,711)	(833,730)
Cash flows from investing activities:					
Acquisition of property, plant and equipment		(11,832,180)	(6,539,668)	(4,564)	(1,370)
Change in pledged deposits		–	1,600,000	–	–
Repayment from/ (Advances to) subsidiaries		–	–	952,350	(1,232,785)
Proceeds from disposal of property, plant and equipment		–	1,599,761	–	–
Net cash (used in)/ from investing activities		(11,832,180)	(3,339,907)	947,786	(1,234,155)
Cash flows from financing activities:	(b)				
Proceeds from exercise of employees share options		1,183,000	2,475,440	1,183,000	2,475,440
Repayment to directors		(265,298)	(73,929)	–	–
Repayment to a subsidiary		–	–	(254,171)	(298,041)
Repayment of lease liabilities		(3,289,975)	(5,918,709)	–	–
Net cash (used in)/ from financing activities		(2,372,273)	(3,517,198)	928,829	2,177,399
Net increase/(decrease) in cash and cash equivalents		8,111,853	(2,115,904)	215,904	109,514
Cash and cash equivalents at the beginning of the financial year		(543,181)	1,572,723	112,797	3,283
Cash and cash equivalents at the end of the financial year		7,568,672	(543,181)	328,701	112,797

STATEMENTS OF CASH FLOWS

(CONT'D)

(a) During the financial year, the Group and the Company made the following cash payments to purchase property, plant and equipment:

	Group		Company	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Purchase of property, plant and equipment	13,463,586	14,992,394	4,564	1,370
Finance by way of lease arrangements	(1,631,406)	(8,452,726)	–	–
Cash payments on purchase of property, plant and equipment	11,832,180	6,539,668	4,564	1,370

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

			<---------Non-cash--------->		
	1.4.2021 RM	**Cash flows RM**	**Acquisition RM**	**Lease modification RM**	**31.3.2022 RM**
Group					
Amounts owing to directors	295,879	(265,298)	–	–	30,581
Lease liabilities	18,712,372	(3,289,975)	1,631,406	(29,792)	17,024,011
	19,008,251	(3,555,273)	1,631,406	(29,792)	17,054,592
Company					
Amount owing to a subsidiary	4,591,969	(254,171)	–	–	4,337,798

			<---------Non-cash--------->		
	1.4.2020 RM	**Cash flows RM**	**Acquisition RM**	**Lease modification RM**	**31.3.2021 RM**
Group					
Amounts owing to directors	369,808	(73,929)	–	–	295,879
Lease liabilities	16,273,044	(5,918,709)	8,452,726	(94,689)	18,712,372
	16,642,852	(5,992,638)	8,452,726	(94,689)	19,008,251
Company					
Amount owing to a subsidiary	4,890,010	(298,041)	–	–	4,591,969

(c) Total cash outflows for leases

During the financial year, the Group had total cash outflows for leases of RM4,567,355 (2021: RM6,787,957).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

1. CORPORATE INFORMATION

Bahvest Resources Berhad ("the Company") is a public limited liability company, incorporated and domiciled in Malaysia, and listed on the Ace Market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at Level 5, Tower 8, Avenue 5, Horizon 2, Bangsar South City, 59200 Kuala Lumpur. The principal place of business of the Company is located at Lot 4, 3rd Floor, Block E, Bandar Nam Tung, Jalan Leila, 90000 Sandakan, Sabah, Malaysia.

The principal activities of the Company are investment holding. The principal activities of its subsidiaries are disclosed in Note 7 to the financial statements.

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

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 18 July 2022.

2. BASIS OF PREPARATION

2.1. Statement of compliance

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

2.2 Adoption of amendments/improvements to MFRSs

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

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

* Early adopted the amendment to MFRS 16 *Leases* issued by the Malaysian Accounting Standards Board ("MASB") on 6 April 2021.

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

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

2. BASIS OF PREPARATION (CONT'D)

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

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

		Effective for financial periods beginning on or after
New MFRS		
MFRS 17	Insurance Contracts	1 January 2023
Amendments/Improvements to MFRSs		
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2022^/ 1 January 2023#
MFRS 3	Business Combinations	1 January 2022/ 1 January 2023#
MFRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2023#
MFRS 7	Financial Instruments: Disclosures	1 January 2023#
MFRS 9	Financial Instruments	1 January 2022^/ 1 January 2023#
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 15	Revenue from Contracts with Customers	1 January 2023#
MFRS 16	Leases	1 April 2021/ 1 January 2022^
MFRS 17	Insurance Contracts	1 January 2023
MFRS 101	Presentation of Financial Statements	1 January 2023/ 1 January 2023#
MFRS 107	Statements of Cash Flows	1 January 2023#
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023
MFRS 112	Income Taxes	1 January 2023
MFRS 116	Property, Plant and Equipment	1 January 2022/ 1 January 2023#
MFRS 119	Employee Benefits	1 January 2023#
MFRS 128	Investments in Associates and Joint Ventures	Deferred/ 1 January 2023#
MFRS 132	Financial Instruments: Presentation	1 January 2023#
MFRS 136	Impairment of Assets	1 January 2023#
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets	1 January 2022/ 1 January 2023#
MFRS 138	Intangible Assets	1 January 2023#
MFRS 140	Investment Property	1 January 2023#
MFRS 141	Agriculture	1 January 2022^

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

2. BASIS OF PREPARATION (CONT'D)

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

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

Amendments to MFRS 3 Business Combinations

The Amendments update MFRS 3 by replacing a reference to an old version of the *Conceptual Framework for Financial Reporting* with a reference to the latest version which was issued by MASB in April 2018.

Amendments to MFRS 101 Presentation of Financial Statements

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

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

Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors

The amendments revise the definition of accounting estimates to clarify how an entity should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important because the changes in accounting estimates are applied prospectively to transactions, other events, or conditions from the date of that change, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events.

Amendments to MFRS 112 Income Taxes

The amendments specify how an entity should account for deferred tax on transactions such as leases and decommissioning obligation.

In specified circumstances, MFRS 112 exempts an entity from recognising deferred tax when it recognises assets or liabilities for the first time. There had been some uncertainties about whether the exemption from recognising deferred tax applied to transactions such as leases and decommissioning obligations – transactions for which an entity recognises both an asset and a liability. The amendments clarify that the exemption does not apply and that entity is required to recognise deferred tax on such transactions.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

2. BASIS OF PREPARATION (CONT'D)

2.4 Functional and presentation currency

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

2.5 Basis of measurement

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Basis of consolidation

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

(a) Subsidiaries and business combination

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

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

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

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

- the fair value of the consideration transferred, calculated as the sum of the acquisition-date fair value of assets transferred (including contingent consideration), the liabilities incurred to former owners of the acquiree and the equity instruments issued by the Group. Any amounts that relate to pre-existing relationships or other arrangements before or during the negotiations for the business combination, that are not part of the exchange for the acquiree, will be excluded from the business combination accounting and be accounted for separately; plus
- the recognised amount of any non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date (the choice of measurement basis is made on an acquisition-by-acquisition basis); plus
- if the business combination is achieved in stages, the acquisition-date fair value of the previously held equity interest in the acquiree; less
- the net fair value of the identifiable assets acquired and the liabilities (including contingent liabilities) assumed at the acquisition date.

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

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

3.1 Basis of consolidation (cont'd)

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

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

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

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

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

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

(b) Transactions eliminated on consolidation

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

3.2 Separate financial statements

In the Company's statement of financial position, investment in subsidiaries are measured at cost less any accumulated impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs. The policy for the recognition and measurement of impairment losses shall be applied on the same basis as would be required for impairment of non-financial assets as disclosed in Note 3.12(b) to the financial statements.

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

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

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

3.3 Foreign currency transactions

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

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

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

Foreign exchange differences arising on settlement or retranslation of monetary items are recognised in profit or loss.

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

3.4 Financial instruments

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

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

(a) Subsequent measurement

The Group and the Company categorise the financial instruments as follows:

(i) Financial assets

For the purposes of subsequent measurement, financial assets are classified at amortised cost.

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

The Group and the Company reclassify financial assets when and only when their business models for managing those assets change.

<u>Debt instruments</u>

Subsequent measurement of debt instruments depends on the Group's and the Company's business model for managing the asset and the cash flow characteristics of the asset. There is one measurement category into which the Group and the Company classify their debt instruments is as follow:

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

3.4 Financial instruments (cont'd)

(a) Subsequent measurement (cont'd)

(i) Financial assets (cont'd)

- **Amortised cost**
  Financial assets that are held for collection of contractual cash flows and those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. The policy for the recognition and measurement of impairment is in accordance with Note 3.12(a) to the financial statements. Gains and losses are recognised in profit or loss when the financial asset is derecognised, modified or impaired.

(ii) Financial liabilities

The Group and the Company classify their financial liabilities at amortised cost.

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

(b) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

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

(c) Regular way purchase or sale of financial assets

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

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

3.4 Financial instruments (cont'd)

(d) Derecognition

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

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

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

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

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

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

(e) Offsetting of financial instruments

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

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

3.5 Property, plant and equipment

(a) Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The policy for the recognition and measurement of impairment losses in accordance with Note 3.12(b) to the financial statements.

Cost of assets, other than bearer plants, includes expenditures that are directly attributable to the acquisition of the asset and any other costs that are directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes cost of materials, direct labour, and any other direct attributable costs but excludes internal profits. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs in Note 3.19 to the financial statements.

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

3.5 Property, plant and equipment (cont'd)

(b) Subsequent costs

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

(c) Depreciation

Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

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 straight-line basis by allocating their depreciable amounts over their remaining useful lives.

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%

The residual values, useful lives and depreciation methods are reviewed at the end of each reporting period and adjusted as appropriate.

(d) Derecognition

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

3.6 Exploration, evaluation and development expenditure

(a) 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.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

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

3.6 Exploration, evaluation and development expenditure (cont'd)

(b) 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.

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.

(c) 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;
(ii) 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.

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

3.7 Leases

(a) Definition of lease

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

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

(b) Lessee accounting

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

The Group and the Company present right-of-use assets in Note 5 to the financial statements and lease liabilities in Note 14 to the financial statements.

<u>Right-of-use asset</u>

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

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any accumulated impairment losses, and adjust for any remeasurement of the lease liabilities. The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. If expects to exercise a purchase option, the right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts from the commencement date of the underlying asset. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.12(b) to the financial statements.

<u>Lease liability</u>

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

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

3.7 Leases (cont'd)

(b) Lessee accounting (cont'd)

Lease liability (cont'd)

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

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

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

Short-term leases and leases of low value asset

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

(c) Lessor accounting

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

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

3.8 Goodwill and other intangible assets

(a) Goodwill

Goodwill arising from business combinations is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.12(b) to the financial statements.

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

3.8 Goodwill and other intangible assets (cont'd)

(b) Mineral rights

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 costs are amortised from the date on which commercial production begins. Depreciation, depletion and amortisation of mine development costs are computed by the straight-line basis over the remaining lease term of the mining area.

3.9 Biological assets

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

(a) 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.

(b) 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.

(c) 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.

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

3.10 Inventories

Inventories 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 of completion and the estimated costs necessary to make the sale.

3.11 Cash and cash equivalents

For the purpose of the statements of cash flows, cash and cash equivalents comprise cash on hand, bank balances and deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Cash and cash equivalents are presented net of bank overdrafts.

3.12 Impairment of assets

(a) Impairment of financial assets

Financial assets measured at amortised cost will be subject to the impairment requirement in MFRS 9 *Financial Instruments* which is related to the accounting for expected credit losses on the financial assets. Expected credit losses are the weighted average of credit losses with the respective risks of a default occurring as the weights.

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

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

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

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

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

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

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

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

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

3.12 Impairment of assets (cont'd)

(a) Impairment of financial assets (cont'd)

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

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

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

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

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:
- significant financial difficulty of the issuer or the debtor;
- a breach of contract, such as a default of past due event;
- the lender(s) of the debtor, for economic or contractual reasons relating to the debtor's financial difficulty, having granted to the debtor a concession(s) that the lender(s) would not otherwise consider; or
- it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation.

The amount of impairment losses (or reversal) shall be recognised in profit or loss, as an impairment gain or loss.

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

(b) Impairment of non-financial assets

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

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

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

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

3.12 Impairment of assets (cont'd)

(b) Impairment of non-financial assets (cont'd)

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

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

Impairment losses are recognised in profit or loss.

Impairment losses in respect of goodwill are not reversed. For other assets, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. An impairment loss is reversed only if there has been a change in the estimates used to determine the assets recoverable amount since the last impairment loss was recognised. Reversal of impairment loss is restricted by the asset's carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

3.13 Share capital

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

3.14 Employee benefits

(a) Short-term employee benefits

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

(b) Defined contribution plan

As required by law, the Group and the Company contribute to the Employees Provident Fund ("EPF"), the national defined contribution plan. Such contributions are recognised as an expense in the profit or loss in the period in which the employees render their services.

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

3.15 Share-based payments

Equity-settled share-based payment

The cost of equity-settled share-based payment is determined by the fair value at the date when the grant is made using an appropriate valuation model. Details regarding the determination of the fair value of equity-settled share-based payments are set out in Note 13 to the financial statements.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share option reserve.

Equity-settled share-based payments with parties other than employees are measured at the fair value of the goods and services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted at the date the Company obtains the goods or the counterparty renders the service.

3.16 Provisions

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

If the effect of the time value of money is material, provisions that are determined based on the expected future cash flows to settle the obligation are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provisions due to passage of time is recognised as finance costs.

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

3.17 Revenue and other income

The Group and the Company recognise revenue that depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group and the Company expect to be entitled in exchange for those goods or services.

Revenue recognition of the Group and the Company are applied for each contract with a customer or a combination of contracts with the same customer (or related parties of the customer). For practical expedient, the Group and the Company applied revenue recognition to a portfolio of contracts (or performance obligations) with similar characteristics if the Group and the Company reasonably expect that the effects on the financial statements would not differ materially from recognising revenue on the individual contracts (or performance obligations) within that portfolio.

The Group and the Company measure revenue at its transaction price, being the amount of consideration to which the Group and the Company expect to be entitled in exchange for transferring promised good or service to a customer, excluding amounts collected on behalf of third parties, adjusted for the effects of any variable consideration, constraining estimates of variable consideration, significant financing components, non-cash consideration and consideration payable to customer. If the transaction price includes variable consideration, the Group and the Company use the expected value method by estimating the sum of probability-weighted amounts in a range or possible consideration amounts, or the most likely outcome method, depending on which method the Group and the Company expect to better predict the amount of consideration to which it is entitled.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

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

3.17 Revenue and other income (cont'd)

For contract with separate performance obligations, the transaction price is allocated to the separate performance obligations on the relative stand-alone selling price basis. If the stand-alone selling price is not directly observable, the Group and the Company estimate it by using the expected cost plus margin approach.

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer, i.e. when or as a performance obligation in the contract with customer is satisfied. A performance obligation is satisfied when or as the customer obtains control of the good or service underlying the particular performance obligation, which the performance obligation may be satisfied at a point in time or over time.

A contract modification is a change in the scope or price (or both) of a contract that is approved by the parties to the contract. A modification exists when the change either creates new or changes existing enforceable rights and obligations of the parties to the contract. The Group and the Company have assessed the type of modification and accounted for as either creates a separate new contract, terminates the existing contract and creation of a new contract; or forms a part of the existing contracts.

(a) Sales of goods

Revenue from contracts with customer is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration.

(b) Rental income

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

(c) Interest income

Interest income is recognised using the effective interest method.

3.18 Borrowing costs

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

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

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

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

3.19 Taxes

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

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

3.19 Taxes (cont'd)

(a) Current tax

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

(b) Deferred tax

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

Deferred tax is not recognised if the temporary differences arise from the initial recognition of assets and liabilities in a transaction which is not a business combination and that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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

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

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

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

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

(c) Sales and services tax

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

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

3.20 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. 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.

3.21 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Group Managing Director of the Group, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief operating decision-maker that makes strategic decisions.

3.22 Fair value measurements

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, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

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

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group and the Company can access at the measurement date.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: Unobservable inputs for the asset or liability.

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

3.23 Contingencies

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

Contingent liability is also referred as a present obligation that arises from past events but is not recognised because:
(a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
(b) the amount of the obligation cannot be measured with sufficient reliability.

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

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

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

Useful lives of mineral rights

The Group and the Company estimate the useful lives to amortise the mineral rights based on the management's judgement of the period over which economic benefits will be derived from the mineral rights. The estimated useful lives of mineral rights are reviewed periodically. The amount and timing of recorded expenses for any period would be affected by changes in the estimates.

The carrying amounts of the mineral rights are disclosed in Note 6 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

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5. PROPERTY, PLANT AND EQUIPMENT

Group	Buildings RM	Road and drainage RM	Mine processing plant RM	Tailing dam and filter process 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	Right-of-use assets RM	Total RM
31.3.2022															
Cost															
At 1 April 2021	43,752,015	9,928,631	16,108,689	7,342,348	2,856,574	2,520,127	10,429,630	11,168,555	8,244,585	1,080,976	4,242,736	75,577	8,185,073	22,462,197	148,397,713
Additions	158,778	–	343,361	48,363	–	–	–	2,221,022	-	79,543	120,187	240	8,860,686	1,631,406	13,463,586
Lease modification	–	–	–	–	–	–	–	–	–	–	–	–	–	(32,640)	(32,640)
Reclassification	295,035	–	297,527	–	–	–	–	(448,736)	–	–	–	86,740	(3,284,418)	3,053,852	–
At 31 March 2022	44,205,828	9,928,631	16,749,577	7,390,711	2,856,574	2,520,127	10,429,630	12,940,841	8,244,585	1,160,519	4,362,923	162,557	13,761,341	27,114,815	161,828,659
Accumulated depreciation															
At 1 April 2021	31,927,595	1,566,960	3,838,162	917,794	1,084,208	658,324	10,034,866	5,462,138	4,397,112	709,569	3,015,712	20,154	–	7,528,591	71,161,185
Depreciation charge for the financial year	889,707	496,432	1,682,695	738,668	624,025	–	–	2,592,330	–	117,907	67,748	16,245	–	3,927,936	11,153,693
Lease modification	–	–	–	–	–	–	–	–	–	–	–	–	–	(7,254)	(7,254)
Reclassification	–	–	(47,960)	–	–	–	–	131,212	–	–	–	–	–	(83,252)	–
At 31 March 2022	32,817,302	2,063,392	5,472,897	1,656,462	1,708,233	658,324	10,034,866	8,185,680	4,397,112	827,476	3,083,460	36,399	–	11,366,021	82,307,624
Accumulated impairment loss															
At 1 April 2021/ 31 March 2022	5,290,002	–	–	–	–	1,861,803	394,764	3	3,847,473	729	753,022	–	3,164,175	198,400	15,510,371
Carrying amount															
At 31 March 2022	6,098,524	7,865,239	11,276,680	5,734,249	1,148,341	–	–	4,755,158	–	332,314	526,441	126,158	10,597,166	15,550,394	64,010,664

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

Group	Buildings RM	Road and drainage RM	Mine processing plant RM	Tailing dam and filter process 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	Right-of-use assets RM	Total RM
31.3.2021															
Cost															
At 1 April 2020	42,244,272	9,928,631	13,933,756	7,342,348	2,856,574	18,474,276	10,429,630	5,553,376	8,244,585	845,140	8,729,600	75,577	5,627,882	21,954,848	156,240,495
Additions	17,394	–	2,284	–	–	3,240	–	870,296	–	20,000	174,080	–	7,960,961	5,944,139	14,992,394
Disposals	–	–	–	–	–	(17,698,161)	–	(310,557)	–	–	(4,660,944)	–	–	(165,514)	(22,835,176)
Reclassification	1,490,349	–	2,172,649	–	–	1,740,772	–	5,055,440	–	215,836	–	–	(5,403,770)	(5,271,276)	–
At 31 March 2021	43,752,015	9,928,631	16,108,689	7,342,348	2,856,574	2,520,127	10,429,630	11,168,555	8,244,585	1,080,976	4,242,736	75,577	8,185,073	22,462,197	148,397,713
Accumulated depreciation															
At 1 April 2020	29,191,194	1,070,528	2,350,820	194,713	799,177	17,278,704	9,914,010	1,445,181	3,984,881	390,947	7,113,213	12,596	–	6,768,963	80,514,927
Depreciation charge for the financial year	2,736,401	496,432	1,487,342	723,081	285,031	43,546	120,856	347,326	412,231	105,193	278,559	7,558	–	4,875,396	11,918,952
Disposals	–	–	–	–	–	(16,663,926)	–	(175,873)	–	–	(4,376,060)	–	–	(56,835)	(21,272,694)
Reclassification	–	–	–	–	–	–	–	3,845,504	–	213,429	–	–	–	(4,058,933)	–
At 31 March 2021	31,927,595	1,566,960	3,838,162	917,794	1,084,208	658,324	10,034,866	5,462,138	4,397,112	709,569	3,015,712	20,154	–	7,528,591	71,161,185
Accumulated impairment loss															
At 1 April 2020	5,020	–	–	–	–	1,195,570	15,454	–	–	–	55,811	–	3,164,175	–	4,436,030
Charge for the financial year	5,284,982	–	–	–	–	1,700,468	379,310	3	3,847,473	729	697,211	–	–	198,400	12,108,576
Reversal	-	–	–	–	–	(1,034,235)	–	–	–	–	–	–	–	–	(1,034,235)
At 31 March 2021	5,290,002	–	–	–	–	1,861,803	394,764	3	3,847,473	729	753,022	–	3,164,175	198,400	15,510,371
Carrying amount															
At 31 March 2021	6,534,418	8,361,671	12,270,527	6,424,554	1,772,366	–	–	5,706,414	–	370,678	474,002	55,423	5,020,898	14,735,206	61,726,157

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

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

	Furniture, fittings and equipment	
	2022	**2021**
Company	**RM**	**RM**
At cost		
At 1 April	13,944	12,574
Additions	4,564	1,370
At 31 March	18,508	13,944
Accumulated depreciation		
At 1 April	7,510	6,756
Depreciation charge for the financial year	963	754
At 31 March	8,473	7,510
Carrying amount		
At 31 March	10,035	6,434

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

(a) Right-of-use assets

The Group leases several assets including lands, heavy equipment, motor vehicles, fish pond equipment, furniture fittings and equipment, office buildings and staff quarters.

Information about leases for which the Group is lessee is presented below:

Group 31.3.2022	Leasehold land RM	Heavy equipment RM	Motor vehicles RM	Fish pond equipment, furniture, fittings and equipment RM	Office buildings RM	Staff quarters RM	Processing Plant RM	Total RM
Cost								
At 1 April 2021	3,940,468	16,863,941	1,081,649	248,000	217,077	111,062	–	22,462,197
Additions	–	1,518,000	113,406	–	–	–	–	1,631,406
Lease modification	–	–	–	–	(32,640)	–	–	(32,640)
Reclassification	–	1,778,400	–	–	–	–	1,275,452	3,053,852
At 31 March 2022	3,940,468	20,160,341	1,195,055	248,000	184,437	111,062	1,275,452	27,114,815
Accumulated depreciation								
At 1 April 2021	969,387	5,663,242	782,172	49,600	38,649	25,541	–	7,528,591
Depreciation charge for the financial year	103,570	3,433,055	227,665	–	57,701	51,292	54,653	3,927,936
Lease modification	–	–	–	–	(7,254)	–	–	(7,254)
Reclassification	–	(131,212)	–	–	–	–	47,960	(83,252)
At 31 March 2022	1,072,957	8,965,085	1,009,837	49,600	89,096	76,833	102,613	11,366,021
Accumulated impairment loss								
At 1 April 2021/ 31 March 2022	–	–	–	198,400	–	–	–	198,400
Carrying amount								
At 31 March 2022	2,867,511	11,195,256	185,218	–	95,341	34,229	1,172,839	15,550,394

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

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

(a) Right-of-use assets (cont'd)

Group 31.3.2021	Leasehold land RM	Heavy equipment RM	Motor vehicles RM	Fish pond equipment, furniture, fittings and equipment RM	Office buildings RM	Staff quarters RM	Total RM
Cost							
At 1 April 2020	3,940,468	16,368,381	1,297,485	248,000	100,514	–	21,954,848
Additions	–	5,616,000	–	–	217,077	111,062	5,944,139
Disposals	–	(65,000)	–	–	(100,514)	–	(165,514)
Reclassification	–	(5,055,440)	(215,836)	–	–	–	(5,271,276)
At 31 March 2021	3,940,468	16,863,941	1,081,649	248,000	217,077	111,062	22,462,197
Accumulated depreciation							
At 1 April 2020	865,817	5,078,699	772,055	49,600	2,792	–	6,768,963
Depreciation charge for the financial year	103,570	4,470,130	223,546	–	52,609	25,541	4,875,396
Disposals	–	(40,083)	–	–	(16,752)	–	(56,835)
Reclassification	–	(3,845,504)	(213,429)	–	–	–	(4,058,933)
At 31 March 2021	969,387	5,663,242	782,172	49,600	38,649	25,541	7,528,591
Accumulated impairment loss							
At 1 April 2020	–	–	–	–	–	–	–
Charge for the financial year	–	–	–	198,400	–	–	198,400
At 31 March 2021	–	–	–	198,400	–	–	198,400
Carrying amount							
At 31 March 2021	2,971,081	11,200,699	299,477	–	178,428	85,521	14,735,206

The Group leases land for operation site. The leases for leasehold land, office building and staff quarter generally have remaining lease term between 1 to 889 years.

The Group also leases heavy machineries, motor vehicles, furniture fittings, equipment and processing plant with lease terms of 1 to 5 years, and have options to purchase the assets at the end of the contract term.

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

(b) Motor vehicles of the Group at cost of RM87,788 (2021: RM267,534) were held in trust under the name of third parties and a person connected to certain Directors of the Company respectively.

(c) In the previous financial year, an impairment loss of RM12,108,576 was recognised in profit or loss, representing the impairment of certain material property, plant and equipment relating to the Group's aquaculture operations to its recoverable amount.

(d) 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 22 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.

6. INTANGIBLE ASSETS

Group	Goodwill RM	Mineral rights RM	Total RM
Cost			
At 1 April 2020	32,176	96,101,488	96,133,664
Impairment	(32,176)	–	(32,176)
At 31 March 2021/2022	–	96,101,488	96,101,488
Accumulated amortisation			
At 1 April 2020	–	23,375,109	23,375,109
Amortisation charged for the financial year	–	2,529,614	2,529,614
At 31 March 2021	–	25,904,723	25,904,723
Amortisation charged for the financial year	–	2,529,614	2,529,614
At 31 March 2022	–	28,434,337	28,434,337
Carrying amount			
At 31 March 2021	–	70,196,765	70,196,765
At 31 March 2022	–	67,667,151	67,667,151

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

6. INTANGIBLE ASSETS (CONT'D)

Company	**2022 RM**	**2021 RM**
Mineral rights		
Cost		
At 1 April/31 March	95,990,000	95,990,000
Accumulated amortisation		
At 1 April	25,874,670	23,347,991
Amortisation charged for the financial year	2,526,679	2,526,679
At 31 March	28,401,349	25,874,670
Carrying amount		
At 31 March	67,588,651	70,115,330

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.

7. INVESTMENT IN SUBSIDIARIES

	Company	
	2022 RM	**2021 RM**
Unquoted shares, at cost	5,605,204	5,605,204
Loans that are part of net investments	60,573,277	60,162,100
Equity contribution in respect of ESOS	4,749,419	5,160,596
	70,927,900	70,927,900
Less: Accumulated impairment losses	(65,876,866)	(65,876,866)
	5,051,034	5,051,034

7. INVESTMENT IN SUBSIDIARIES (CONT'D)

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

Details of the subsidiaries are as follows:

Name of company	**Principal place of business / Country of incorporation**	**Ownership interest 2022 %**	**Ownership interest 2021 %**	**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

* The Company had ceased its business operations and remained inactive throughout the financial year.

8. BIOLOGICAL ASSETS

In the previous financial year, the fair value of the fishery livestocks is estimated by the Directors based on the present values of future cash flows from sales less the cost of rearing the entire fishery livestocks. The low levels of expected sales and selling prices has resulted in a significant decrease in the fair value of fishery livestocks as the present value of the future cash flows from the cost of rearing the fishery livestocks would gradually exceed the cash flows from the sales of the fishery livestocks. This results in a highly volatile fair value model as highlighted below in the relationship of the unobservable inputs to changes in fair value.

(a) Biological assets (Non-current)

Group	**Crab broodstock RM**
At cost	
At 1 April 2020	53,258
Additions	14,263
Amortisation charge for the financial year	(3,740)
Fatalities charge	(63,781)
At 31 March 2021/31 March 2022	–

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

8. BIOLOGICAL ASSETS (CONT'D)

(b) Biological assets (Current)

	Fishery livestocks At fair value less costs to sell RM	Fish fry At cost RM	Crab At cost RM	Total RM
At 1 April 2020	1,881,262	99,589	393,714	2,374,565
Additions/Cost capitalised	5,723,513	–	344,176	6,067,689
Fatalities charge	–	–	(737,841)	(737,841)
Sales	(1,765,956)	(99,589)	–	(1,865,545)
Transfer to frozen products	–	–	(49)	(49)
Fair value loss	(5,838,819)	–	–	(5,838,819)
At 31 March 2021/ 31 March 2022	–	–	–	–

9. INVENTORIES

	Group	
	2022 RM	**2021 RM**
Chemicals	5,353,589	2,195,133
Fuel and oil	410,201	355,335
Good in transit	3,583,697	2,004,680
	9,347,487	4,555,148
Recognised in profit or loss:		
Inventories recognised as cost of sales	118,158,586	76,089,662
Inventories written off	–	17,466

10. TRADE AND OTHER RECEIVABLES

		Group		Company	
	Note	**2022 RM**	**2021 RM**	**2022 RM**	**2021 RM**
Non-current:					
Trade					
Trade receivables	(a)	1,465,465	2,345,995	–	–
Current:					
Trade					
Trade receivables		34,972,874	28,077,005	–	–
Less: Allowance for impairment		(22,374,068)	(21,408,745)	–	–
	(c)	12,598,806	6,668,260	–	–

10. TRADE AND OTHER RECEIVABLES (CONT'D)

	Note	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
Other receivables		535,979	691,446	–	–
Less: Allowance for impairment	(c)	(56,279)	(60,636)	–	–
		479,700	630,810	–	–
Amounts owing by subsidiaries	(b)	–	–	117,395,676	118,348,026
Less: Allowance for impairment	(c)	–	–	(117,395,676)	(118,348,026)
		–	–	–	–
Amounts owing by a related party	(b)	473,589	–	–	–
Deposits		546,755	785,813	–	–
Prepayments		327,327	345,855	–	–
		1,827,371	1,762,478	–	–
Total trade and other receivables (current)		14,426,177	8,430,738	–	–
Total trade and other receivables (non-current and current)		15,891,642	10,776,733	–	–

(a) Long term trade receivable is measured at amortised cost at imputed interest rate at 11.66% (2021: 10.39%) per annum.

(b) Amounts owing by a related party and subsidiaries are non-trade in nature, unsecured, non-interest bearing, repayable on demand and is expected to be settled in cash.

(c) Trade and other receivables

Trade receivables are non-interest bearing and normal credit terms offered by the Group and the Company ranging from 30 to 270 days (2021: 30 to 270 days) from the date of invoices. Other credit terms are assessed and approved on a case by case basis.

Receivables that are impaired

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

Trade receivables

	Group 2022 RM	Group 2021 RM
At 1 April	21,408,745	20,856,331
Charge for the financial year (Note 19)		
- individually assessed	970,919	736,310
Reversal of impairment losses	(5,596)	(183,896)
At 31 March	22,374,068	21,408,745

Other receivables

	Group 2022 RM	Group 2021 RM	Company 2022 RM	Company 2021 RM
At 1 April	60,636	56,279	118,348,026	117,115,241
Charge for the financial year (Note 19)				
- individually assessed	–	4,357	3,229,694	7,251,620
Reversal of impairment losses	(4,357)	–	(4,182,044)	(6,018,835)
At 31 March	56,279	60,636	117,395,676	118,348,026

The information about the credit expenses are disclosed in Note 26(b)(i) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

11. CASH AND BANK BALANCES

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Cash and bank balances	7,568,672	2,191,713	328,701	112,797
Deposits with licensed banks	92,000	92,000	–	–
Cash and bank balances	7,660,672	2,283,713	328,701	112,797
Less: Bank overdrafts	–	(2,734,894)	–	–
Less: Deposits with licensed banks with maturity of more than three (3) months	(92,000)	(92,000)	–	–
Cash and cash equivalents	7,568,672	(543,181)	328,701	112,797

Deposits with licensed banks of the Group amounting to RM92,000 (2021: 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.

12. SHARE CAPITAL

	Group and Company			
	Number of ordinary shares		<--------Amounts--------->	
	2022 units	2021 units	2022 RM	2021 RM
Issued and fully paid up (no par value):				
At beginning of the financial year	1,231,940,460	1,225,062,060	292,126,966	288,796,182
Issued pursuant to exercise of Employees Shares Options Scheme ("ESOS")	3,380,000	6,878,400	1,594,177	3,330,784
Share capital reduction	–	–	(225,000,000)	–
At the end of the financial year	1,235,320,460	1,231,940,460	68,721,143	292,126,966

(a) Share capital

On 13 April 2021, the Company completed the proposed share capital reduction, which entailed the reduction and cancellation of RM225,000,000 of its issued share capital pursuant to Section 116 of the Act. The credit of RM225,000,000 arising from the share capital reduction was used to eliminate the accumulated losses of the Company.

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

During the financial year, the Company issued 3,380,000 (2021: 6,878,400) new ordinary shares from the exercise of the Company's Employees Shares Option Scheme ("ESOS") which amounted to RM1,594,177 (2021: RM3,330,784). 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.

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

12. SHARE CAPITAL (CONT'D)

(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.

	Number of warrants	
	2022	**2021**
Warrants 2017/2024		
At 1 April/31 March	599,995,756	599,995,756

13. OTHER RESERVES

Employees' share options ("ESOS") reserve

	Group and Company	
	2022	**2021**
	RM	**RM**
At 1 April	5,476,886	6,332,230
Exercised during financial year	(411,177)	(855,344)
At 31 March	5,065,709	5,476,886

13. OTHER RESERVES (CONT'D)

Employees' share options ("ESOS") reserve (cont'd)

The share options reserve comprises the cumulative value of employee services received for the issue of share options. The reserve is recorded over the vesting period commencing from the grant date and is reduced by the expiry or exercise of the share option. When the option is exercised, the amount from the share option reserve is transferred to share capital. When the share options expire, the amount from the share option reserve is transferred to retained profits.

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	1 year
Options granted to employees on 25 August 2016	3,569,295	Vested on the grant date	1 year
Options granted to employees on 11 March 2017	3,849,295	Vested on the grant date	1 year
Options granted to employees on 2 July 2018	1,310,030	Vested on the grant date	1 year
Effect of bonus issue on options granted to Directors and employees on 11 December 2018	28,258,930	Vested on the grant date	1 year

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

	2022			2021		
	Weighted average			Weighted average		
	Exercise price	Share price	Number of options	Exercise price	Share price	Number of options
	RM	RM		RM	RM	
At 1 April	0.36		46,054,060	0.36		52,932,460
Exercised during the financial year	0.35	0.47	(3,380,000)	0.36	0.54	(6,878,400)
At 31 March	0.36		42,674,060	0.36		46,054,060
Exercisable at 31 March	0.36		42,674,060	0.36		46,054,060

The options outstanding at 31 March 2022 have exercise prices in the ranging from RM0.35 to RM0.52 (2021: RM0.35 to RM0.52) and the weighted average remaining contractual life for the share options outstanding as at 31 March 2022 was 1 year (2021: 2 years).

14. LOANS AND BORROWINGS

	Note	Group 2022 RM	2021 RM
Non-current			
Secured:			
Lease liabilities	(a)	8,997,234	11,747,318
Unsecured:			
Lease liabilities	(a)	947,651	1,072,441
		9,944,885	12,819,759
Current:			
Secured:			
Bank overdrafts	(b)	–	2,734,894
Lease liabilities	(a)	6,975,405	5,763,030
Unsecured:			
Lease liabilities	(a)	103,721	129,583
		7,079,126	8,627,507
Total loans and borrowings			
Secured:			
Bank overdrafts	(b)	–	2,734,894
Lease liabilities	(a)	15,972,639	17,510,348
Unsecured:			
Lease liabilities	(a)	1,051,372	1,202,024
		17,024,011	21,447,266

The interest rate structures are as follows:

	Effective interest rate 2022	2021
Bank overdrafts	7.40%	7.40%
Lease liabilities	4.68%-8.19%	4.52% - 8.19%

NOTES TO THE FINANCIAL STATEMENTS

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14. LOANS AND BORROWINGS (CONT'D)

(a) Lease liabilities

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

	Group	
	2022	**2021**
	RM	**RM**
Minimum lease payments:		
Not later than one year	8,000,560	6,921,595
Later than one year and not later than 5 years	10,046,818	13,202,992
Later than 5 years	1,290,000	1,350,000
	19,337,378	21,474,587
Less: Future finance charges	(2,313,367)	(2,762,215)
Present value of minimum lease payments	17,024,011	18,712,372
Present value of minimum lease payments:		
Not later than one year	7,079,126	5,892,613
Later than one year and not later than 5 years	9,126,384	11,980,234
Later than 5 years	818,501	839,525
	17,024,011	18,712,372
Less: Amount due within 12 months	(7,079,126)	(5,892,613)
Amount due after 12 months	9,944,885	12,819,759

(b) 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.; and
(ii) Corporate guarantee by the Company.

15. DEFERRED TAX LIABILITIES

	Group	
	2022	**2021**
	RM	**RM**
Deferred tax liabilities	1,793,493	1,350,302

(a) The movement of deferred tax liabilities are as follows:

	Group	
	2022	**2021**
	RM	**RM**
At 1 April	1,350,302	971,269
Recognised in profit or loss	443,191	379,033
At 31 March	1,793,493	1,350,302

15. DEFERRED TAX LIABILITIES (CONT'D)

(b) The components of deferred tax liabilities as at the end of the financial year comprise the following:

	Group 2022 RM	Group 2021 RM
Deferred tax liabilities		
Temporary differences between carrying amount and corresponding tax written values	1,793,493	1,350,302

(c) The estimated amount of temporary differences for which no deferred tax assets are recognised in the financial statements are as follows:

	Group 2022 RM	Group 2021 RM
Deductible temporary differences	457,095	1,779,370
Unabsorbed capital allowances	26,176,383	24,829,725
Unutilised tax losses	127,490,287	127,409,381
	154,123,765	154,018,476

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

Pursuant to Section 8 of the Finance Act 2021 (Act 833), the amendment to Section 44(5F) of Income Tax Act 1967, the time limit on the carried forward unutilised tax losses has been extended to maximum 10 consecutive years. This amendment is deemed to have effect for the year of assessment 2019 and subsequent year of assessment.

Any unutilised tax losses brought forward from year of assessment 2018 can be carried forward for another 10 consecutive years of assessment (i.e. from year of assessments 2019 to 2028).

The unutilised tax losses are available for offset against future taxable profits of the Group up to the following financial years:

	Group 2022 RM
2028	5,009,910
2029	8,361,596
2030	20,653,990
2031	93,383,885
2032	80,906

16. TRADE AND OTHER PAYABLES

		Group		Company	
	Note	2022 RM	2021 RM	2022 RM	2021 RM
Trade					
Trade payables	(a)	10,243,267	14,940,516	–	–
Non-trade					
Other payables		1,552,557	3,023,053	1,169	136,233
Accruals		12,083,832	2,633,015	203,396	123,397
Amounts owing to directors	(b)	30,581	295,879	–	–
Amounts owing to related parties	(b)	11,788	8,135	–	–
Amount owing to a subsidiary	(b)	–	–	4,337,798	4,591,969
		13,678,758	5,960,082	4,542,363	4,851,599
Total trade and other payables		23,922,025	20,900,598	4,542,363	4,851,599

(a) The normal trade credit terms granted to the Group range from 30 to 180 days (2021: 30 to 180 days).

(b) Amounts owing to directors, related parties and a subsidiary are unsecured, non-interest bearing, repayable upon demand and is expected to be settled in cash. Amounts owing to related parties relate to persons connected to certain directors of the Company.

For explanations on the Group's and the Company's liquidity risk management processes, refer to Note 26(b)(ii).

17. REVENUE

	Group	
	2022 RM	2021 RM
At point in time:		
Sale of gold	149,205,191	91,274,906
Sale of silver	96,651	544,232
Sale of adult fish	–	3,653,113
Sale of frozen products	–	383,177
	149,301,842	95,855,428

18. OTHER INCOME

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Amortisation of government grant income	–	2,262,044	–	–
Bad debts recovered	–	728	–	–
Fair value adjustment on receivables measured at amortised cost	174,262	–	–	–
Gain on disposal of property, plant and equipment	–	121,041	–	–
Rent concessions income	4,200	–	–	–
Gain on lease modification	206	10,927	–	–
Interest income	69,227	221,433	–	–
Rental income	873,700	672,000	–	–
Logs and timber income	1,387,217	–	–	–
Reversal of impairment loss on amount owing by a subsidiary	–	–	4,182,044	6,018,835
Reversal of impairment loss on property, plant and equipment	–	1,034,235	–	–
Reversal of impairment loss on trade receivables	5,596	183,896	–	–
Reversal of impairment loss on other receivables	4,357	–	–	–
Net realised gain on foreign exchange	–	23,965	–	–
Net unrealised gain on foreign exchange	970,919	719,515	–	–
Wages subsidy	146,400	130,850	–	–
Miscellaneous income	181,600	168,000	–	–
	3,817,684	5,548,634	4,182,044	6,018,835

19. IMPAIRMENT ON FINANCIAL INSTRUMENTS

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Deposit written off	5,500	9,940	–	–
Impairment loss on amount owing by a subsidiary	–	–	3,229,694	7,251,620
Impairment loss on trade and other receivables	970,919	740,667	–	–
Worker advance written off	442	15,107	–	–
	976,861	765,714	3,229,694	7,251,620

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20. OTHER OPERATING EXPENSES

		Group		Company	
	Note	2022 RM	2021 RM	2022 RM	2021 RM
Amortisation of mineral rights	6	2,529,614	2,529,614	2,526,679	2,526,679
Amortisation of broodstocks	8	–	3,740	–	–
Fair value adjustment on receivables measured at amortised cost		–	771,656	–	–
Fatalities charge on broodstocks	8	–	63,781	–	–
Fatalities charge on crab/fishfry	8	–	737,841	–	–
Impairment loss on goodwill	6	–	32,176	–	–
Inventories written off	9	–	17,466	–	–
Net realised loss on foreign exchange		20,911	–	–	–
Net unrealised loss on foreign exchange		19,606	–	–	–
		2,570,131	4,156,274	2,526,679	2,526,679

21. FINANCE COSTS

	Group	
	2022 RM	2021 RM
Interest expense on:		
- Bank overdrafts	60,610	376,743
- Lease liabilities	1,244,880	848,089
- Supplier late payment interest charges	75,814	68,560
	1,381,304	1,293,392

22. PROFIT/(LOSS) BEFORE TAX

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

	Group		Company	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Auditors' remuneration				
- statutory audit				
- current year	245,000	230,000	115,000	110,000
- non-statutory audit				
- current year	5,000	5,000	5,000	5,000
Depreciation of property, plant and equipment	11,153,693	11,918,952	963	754
Employee benefits expenses (Note 23)	17,767,051	17,001,582	1,008,781	431,109
Net loss on foreign exchange:				
- realised	20,911	–	–	–
- unrealised	19,606	14,542	–	–
Rehabilitation cost	1,492,163	912,749	–	–
Expenses relating to short-term lease	32,500	21,159	–	–
Royalty	7,752,142	4,563,745	–	–

23. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Salaries and wages	16,727,846	15,707,065	920,400	404,100
Contributions to defined contribution plan	916,014	984,515	77,652	15,453
Social security contributions	104,453	112,478	2,570	524
Contributions to employment insurance scheme	10,738	11,174	159	32
Commissions	–	175,350	–	–
Other emoluments	8,000	11,000	8,000	11,000
	17,767,051	17,001,582	1,008,781	431,109
Included in employee benefits expenses are:				
Directors of the Company				
Executive directors:				
- Salaries and wages	1,308,000	1,286,000	396,000	66,000
- Commissions	–	11,359	–	–
- Other emoluments	134,868	146,330	49,036	8,173
	1,442,868	1,443,689	445,036	74,173
Non-executive directors:				
- Fee	276,000	276,000	276,000	276,000
- Other emoluments	8,000	11,000	8,000	11,000
	284,000	287,000	284,000	287,000
	1,726,868	1,730,689	729,036	361,173

NOTES TO THE FINANCIAL STATEMENTS

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24. INCOME TAX EXPENSE

The major components of income tax expense for the financial years ended 31 March 2022 and 31 March 2021 are as follows:

	Group		Company	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Statements of comprehensive income				
Current income tax:				
- Current income tax charge	6,705,988	3,296,464	–	–
- Adjustment in respect of prior year	(21,617)	(103,707)	–	–
	6,684,371	3,192,757	–	–
Deferred tax:				
- Origination of temporary differences	388,315	379,033	–	–
- Adjustment in respect of prior years	54,876	–	–	–
	443,191	379,033	–	–
Income tax expense recognised in profit or loss	7,127,562	3,571,790	–	–

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% (2021: 24%) of the estimated assessable profit for the financial year.

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

	Group		Company	
	2022 RM	**2021 RM**	**2022 RM**	**2021 RM**
Profit/(Loss) before tax	19,547,785	(10,561,811)	(3,182,269)	(4,707,026)
Taxation at applicable statutory tax rate of 24% (2021: 24%)	4,691,468	(2,534,835)	(763,745)	(1,129,686)
Tax effects arising from:				
- non-deductible expenses	3,644,601	2,902,229	1,767,435	1,129,686
- non-taxable income	(1,267,036)	(723,807)	(1,003,690)	–
Deferred tax not recognised on tax losses and temporary differences	25,270	4,031,910	–	–
Adjustment in respect of prior years:				
- current income tax	(21,617)	(103,707)	–	–
- deferred tax	54,876	–	–	–
	7,127,562	3,571,790	–	–

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.

25. EARNINGS/(LOSS) PER SHARE

(a) Basic earnings/(loss) per ordinary share

Basic earnings/(loss) per share amounts are calculated by dividing profit/(loss) 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 2022	Group 2021
Profit/(Loss) attributable to owners of the Company:		
Profit/(Loss) for the financial year (RM)	12,420,223	(14,133,601)
Weighted average number of ordinary shares for basic earnings/(loss) per share (unit)	1,233,269,063	1,229,381,577
Basic earnings/(loss) per ordinary share (sen)	1.01	(1.15)

(b) Diluted earnings/(loss) per ordinary share

Diluted earnings/(loss) per share are based on the earnings/(loss) for the financial year attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares, calculated as follows:

	Group 2022	Group 2021
Profit/(Loss) attributable to owners of the Company:		
Profit/(Loss) for the financial year (RM)	12,420,223	(14,133,601)
Weighted average number of ordinary shares for basic earnings/(loss) per share (unit)	1,233,269,063	1,229,381,577
Effect of share options on issue	42,674,060	–*
Effect of warrants on issue	599,995,756	–*
Weighted average number of ordinary shares for diluted earnings/(loss) per shares (unit)	1,875,938,879	1,229,381,577
Diluted earnings/(loss) per ordinary share (sen)	0.66	(1.15)

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

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

26. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned:

	Carrying amount RM	Amortised cost RM
2022		
Financial assets		
Group		
Trade and other receivables, net of prepayments	15,564,315	15,564,315
Cash and bank balances	7,660,672	7,660,672
	23,224,987	23,224,987
Company		
Cash and bank balances	328,701	328,701
Financial Liabilities		
Group		
Loan and borrowings	17,024,011	17,024,011
Trade and other payables	23,922,025	23,922,025
	40,946,036	40,946,036
Company		
Trade and other payables	4,542,363	4,542,363
2021		
Financial assets		
Group		
Trade and other receivables, net of prepayments	10,430,878	10,430,878
Cash and bank balances	2,283,713	2,283,713
	12,714,591	12,714,591
Company		
Cash and bank balances	112,797	112,797
Financial liabilities		
Group		
Loan and borrowings	21,447,266	21,447,266
Trade and other payables	20,900,598	20,900,598
	42,347,864	42,347,864
Company		
Trade and other payables	4,851,599	4,851,599

26. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management

The Group's and the Company's activities are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk. The Group's and the Company's overall financial risk management objective is to optimise value for their shareholders.

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

(i) Credit risk

Credit risk is the risk of financial loss to the Group and the Company that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group and the Company are exposed to credit risk primarily from trade and other receivables. For other financial assets (including cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The management has in place a credit procedure to monitor and minimise the exposure of default. Trade and other receivables are monitored on a regular and an ongoing basis. Credit evaluations are performed on all customers requiring credit over certain amount.

Trade receivables

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

The carrying amount of trade receivables is not secured by any collateral or supported by any other credit enhancements. In determining the recoverability of these receivables, the Group considers any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date. The Group has adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

Credit risk concentration profile
The Group determines concentrations of credit risk by monitoring the profile of its trade receivables on an ongoing basis. As at the reporting date, the Group has a significant concentration of credit risk in the form of outstanding balances arising from the amount due from 2 (2021: 2) customers representing approximately 100% (2021: 100%) of the total trade receivables.

The Group applies the simplified approach to providing for impairment losses prescribed by MFRS 9 *Financial Instruments*, which permits the use of the lifetime expected credit loss provision for all trade receivables. To measure the impairment losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The impairment losses also incorporate forward looking information.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

26. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (cont'd)

(i) Credit risk (cont'd)

Credit risk concentration profile (cont'd)

The information about the credit risk exposure on the Group's and the Company's trade receivables using the provision matrix are as follows:

	Expected credit loss rate RM	Gross carrying amount at default RM	Impairment losses RM
2022			
Trade receivables			
Current	0%	13,672,977	–
Past due:			
1 to 30 days past due	0%	124,513	–
31 to 60 days past due	0%	124,513	–
61 to 90 days past due	0%	124,527	–
more than 90 days past due	0%	17,741	–
		14,064,271	–
Impaired - individually		22,374,068	22,374,068
		36,438,339	22,374,068
2021			
Trade receivables			
Current	0%	9,014,255	–
Impaired - individually		21,408,745	21,408,745
		30,423,000	21,408,745

Other receivables and other financial assets

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

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

- internal credit rating
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations

26. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (cont'd)

(i) Credit risk (cont'd)

Other receivables and other financial assets (cont'd)

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

Some intercompany loans between entities within the Group are repayable on demand. For loans that are repayable on demand, impairment losses are assessed based on the assumption that repayment of the loan is demanded at the reporting date. If the borrower does not have sufficient highly liquid resources when the loan is demanded, the Group and the Company will consider the expected manner of recovery and recovery period of the intercompany loan.

Other than credit-impaired other receivables, the Group and the Company consider these financial assets to be of low credit risk, for which no material loss allowance is required. Refer to Note 3.12(a) to the financial statements for the Group's and the Company's other accounting policies for impairment of financial assets.

Financial guarantee contracts

The Company is exposed to credit risk in relation to financial guarantees given to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors the results of the subsidiaries and their repayment on an on-going basis. The maximum exposure to credit risks is representing by the maximum amount the Company could pay if the guarantee is called on as disclosed in Note 29. As at the reporting date, there was no loss allowance for impairment as determined by the Company for the financial guarantee.

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

(ii) Liquidity risk

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

The Group and the Company maintain a level of cash and cash equivalents deemed adequate by management to ensure, as far as possible, that it will have sufficient liquidity to meets its liabilities when they fall due.

26. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (cont'd)

(ii) Liquidity risk (cont'd)

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

		<---------- Contractual undiscounted cash flow ---------->			
Group	**Carrying amount**	**On demand or within 1 year**	**Between 1 and 5 years**	**More than 5 years**	**Total**
2022	**RM**	**RM**	**RM**	**RM**	**RM**
Financial liabilities					
Trade payables and other payables	23,922,025	23,922,025	–	–	23,922,025
Lease liabilities	17,024,011	8,000,560	10,046,818	1,290,000	19,337,378
	40,946,036	31,922,585	10,046,818	1,290,000	43,259,403
Company					
Financial liabilities					
Other payables	4,542,363	4,542,363	–	–	4,542,363
Financial guarantee contracts	–	14,573,411	–	–	14,573,411
	4,542,363	19,115,774	–	–	19,115,774

		<---------- Contractual undiscounted cash flow ---------->			
Group	**Carrying amount**	**On demand or within 1 year**	**Between 1 and 5 years**	**More than 5 years**	**Total**
2021	**RM**	**RM**	**RM**	**RM**	**RM**
Financial liabilities					
Trade payables and other payables	20,900,598	20,900,598	–	–	20,900,598
Bank overdrafts	2,734,894	2,734,894	–	–	2,734,894
Lease liabilities	18,712,372	6,921,595	13,202,992	1,350,000	21,474,587
	42,347,864	30,557,087	13,202,992	1,350,000	45,110,079
Company					
Financial liabilities					
Other payables	4,851,599	4,851,599	–	–	4,851,599
Financial guarantee contracts	–	18,625,412	–	–	18,625,412
	4,851,599	23,477,011	–	–	23,477,011

26. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (cont'd)

(iii) Foreign currency risk

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of a financial instrument as a result of changes in foreign exchange rates.

The Group has exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the functional currency of the Group, primarily RM. The foreign currency giving rise to this risk is 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 acceptable level.

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

Group	Renminbi RM	Hong Kong Dollar RM	United States Dollar RM	Total RM
2022				
Financial assets				
Trade and other receivables	21,286,271	–	–	21,286,271
Financial liabilities				
Trade and other payables	(429,829)	(2,464)	(190,355)	(622,648)
Net financial assets/ (liabilities) held in non-functional currencies	20,856,442	(2,464)	(190,355)	20,663,623
2021				
Financial assets				
Trade and other receivables	20,315,352	–	–	20,315,352
Cash and bank balances	–	2,124	–	2,124
	20,315,352	2,124	–	20,317,476
Financial liabilities				
Trade and other payables	(410,223)	(2,464)	(472,044)	(884,731)
Net financial assets/ (liabilities) held in non-functional currencies	19,905,129	(340)	(472,044)	19,432,745

26. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (cont'd)

(iii) Foreign currency risk (cont'd)

Sensitivity analysis for foreign currency risk
The Group's principal foreign currency exposure relates mainly to Renminbi ("RMB"), Hong Kong Dollar ("HKD") and United States Dollar ('USD').

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

Group	Change in rate %	Effect on loss for the financial year RM	Effect on equity RM
2022			
- Renminbi	+ 5%	792,545	792,545
	- 5%	(792,545)	(792,545)
- Hong Kong Dollar	+ 5%	(94)	(94)
	- 5%	94	94
- United States Dollar	+ 5%	(7,233)	(7,233)
	- 5%	7,233	7,233
2021			
- Renminbi	+ 5%	756,395	756,395
	- 5%	(756,395)	(756,395)
- Hong Kong Dollar	+ 5%	(13)	(13)
	- 5%	13	13
- United States Dollar	+ 5%	(17,938)	(17,938)
	- 5%	17,938	17,938

(iv) Interest rate risk

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Company's financial statements as a result of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from its long-term loans and borrowings with floating interest rates.

Sensitivity analysis for interest rate risk
The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant on the Group's total equity and loss for the financial year.

Group	Change in basis point RM	Effect on loss for the financial year RM	Effect on equity RM
2021	+25	5,196	5,196
	-25	(5,196)	(5,196)

26. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair value measurement

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

27. RELATED PARTIES

(a) Identity of related parties

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

Related parties of the Group include:

(i) Subsidiaries as disclosed in Note 7 to the financial statements;
(ii) Entities in which the directors have substantial financial interests; and
(iii) Key management personnel of the Group and of the Company, comprises persons (including directors) having the authority and responsibility for planning, diversifying and controlling the activities directly or indirectly.

(b) Significant related party transactions

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

	Group	
	2022	**2021**
	RM	**RM**
Entities in which directors have substantial financial interests		
Southsea Gold Sdn. Bhd.		
Rental paid/payable	60,000	60,000
Sales of motor vehicles	(46,800)	–
Yu Tian Seafood Trading		
Purchase paid/payable	–	139,107
Related party		
Lo Vui Ming		
Rental received/receivable	(18,000)	–

Significant outstanding balances with related parties at the end of the reporting period are as disclosed in Notes 10 and 16.

The Company provides secured corporate guarantees to banks in respect of banking facilities granted to the subsidiaries as disclosed in Note 29.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

27. RELATED PARTIES (CONT'D)

(c) Compensation of key management personnel

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Short-term employee benefit	2,040,000	2,124,692	888,000	342,000
Other emoluments	200,028	230,379	83,549	19,173
Commissions	–	11,359	–	–
	2,240,028	2,366,430	971,549	361,173
Included in the key management personnel are:				
Directors' remuneration	1,726,868	1,730,689	729,036	361,173
Key management personnels' remuneration	513,160	635,741	242,513	–
	2,240,028	2,366,430	971,549	361,173

28. COMMITMENTS

(a) Commitments

The Group has made commitments for the following capital expenditures:

	Group	
	2022 RM	2021 RM
Property, plant and equipment		
- Acquisition of machineries and movable equipment	5,970,000	2,095,601
- Construction of processing plants and buildings	3,056,820	2,121,365
	9,026,820	4,216,966

(b) Operating lease commitments - as lessor

The Group leases its heavy equipment which have remaining lease term two years.

The maturity analysis of the Group's lease payments, showing the undiscounted lease payments to be received after the reporting date are as follows:

	Group	
	2022 RM	2021 RM
Not later than one year	672,000	672,000
Between two to five years	504,000	1,176,000
	1,176,000	1,848,000

29. FINANCIAL GUARANTEES

	2022 RM	2021 RM
Financial guarantees given to licensed banks for outstanding banking facilities granted to subsidiaries	14,481,411	18,533,412
Bank guarantee facility in favour of third party	92,000	92,000
	14,573,411	18,625,412

30. CAPITAL MANAGEMENT

The primary objective of the Group's and the Company's capital management is to ensure that they maintain a strong credit rating and healthy capital ratio in order to support their business and maximise shareholder value. The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies and processes during the financial years ended 31 March 2022 and 31 March 2021.

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Loans and borrowings	17,024,011	21,447,266	-	-
Trade and other payables	23,922,025	20,900,598	4,542,363	4,851,599
Less: Cash and bank balances	(7,660,672)	(2,283,713)	(328,701)	(112,797)
Net debts	33,285,364	40,064,151	4,213,662	4,738,802
Total equity	120,901,620	107,298,397	68,438,154	70,437,423
Capital and net debts	154,186,984	147,362,548	72,651,816	75,176,225
Gearing ratio	22%	27%	6%	6%

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

31. SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

(a) On 29 December 2021, the Company has re-assessed its GN3 condition based on the quarterly report on consolidated results for the financial period ended 30 September 2021 as announced on 15 November 2021. Based on the re-assessment, the Company no longer trigger any of the GN3 Criteria and hence no longer requires the GN3 Relief with immediate effect.

(b) On 13 April 2021, the Company announced that an office copy of the sealed order of the High Court of Malaya confirming the capital reduction has been lodged with the Registrar of Companies. Pursuant thereto, the capital reduction by reducing and cancelling part of the issued share capital of the Company pursuant to Section 116 of the Act shall therefore take effect and be deemed completed.

(c) COVID-19 pandemic

On 11 March 2020, the World Health Organisation declared the COVID-19 outbreak as a pandemic in recognition of its rapid spread across the globe. Many countries including the Malaysian Government imposed the Movement Control Order ("MCO") to curb the spread of the COVID-19 pandemic. The COVID-19 pandemic also resulted in travel restriction, lockdown and other precautionary measures imposed in various countries. The emergence of the COVID-19 pandemic since early 2020 has brought significant economic uncertainties in Malaysia and markets in which the Group and the Company operate.

The Group and the Company have performed assessments on the overall impact of the situation on the Group's and the Company's operations and financial implications, including the recoverability of the carrying amount of assets and subsequent measurement of assets and liabilities, and concluded that there was no material adverse effect on the financial statements for the financial year ended 31 March 2022.

Given the fluidity of the situation, the Group and the Company are unable to reasonably estimate the complete financial impacts of COVID-19 pandemic for the financial year ending 31 March 2022 to be disclosed in the financial statements as impact assessment of the COVID-19 pandemic is a continuing process. The Group and the Company will continuously monitor any material changes to future economic conditions that will affect the Group and the Company.

32. SEGMENT INFORMATION

The Group prepared the following segment information in accordance with MFRS 8 *Operating Segments* based on the internal reports of the Group's strategic business units which are regularly reviewed by the chief operating decision maker for the purpose of making decisions about resource allocation and performance assessment.

For management purposes, the Group is organised into business units based on products and services, and has three reportable operating segments as follows:

(a) Mining operations
(b) Aquaculture operations
(c) Investment holding

Inter-segment pricing is determined on negotiated basis.

<u>Segment profit</u>
Segment performance is used to measure performance as the chief operating decision maker believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Performance is evaluated based on operating profit or loss which is measured differently from operating profit or loss in the consolidated financial statements.

<u>Segment assets</u>
The total of segment assets are measured based on all assets (excluding current tax assets) of a segment, as included in the internal reports that are reviewed by the chief operating decision maker.

<u>Segment liabilities</u>
The total of segment liabilities are measured based on all liabilities (excluding deferred tax liabilities and current tax liabilities) of a segment, as included in the internal reports that are reviewed by the chief operating decision maker.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

32. SEGMENT INFORMATION (CONT'D)

2022	Mining operations RM	Aquaculture operations RM	Investment holding RM	Adjustment and elimination RM		Total RM
Revenue:						
External sales	149,301,842	–	–	–		149,301,842
Total revenue	149,301,842	–	–	–		149,301,842
Results:						
Segments results	25,133,566	(1,512,272)	(3,182,269)	490,064	(ii)	20,929,089
Finance costs	(1,312,807)	(68,497)	–	–		(1,381,304)
Income tax expense	(7,127,562)	–	–	–		(7,127,562)
Profit/(Loss) for the financial year	16,693,197	(1,580,769)	(3,182,269)	490,064		12,420,223
Assets:						
Segment assets	90,392,998	10,529,604	72,978,421	(9,323,407)	(iii)	164,577,616
Current tax assets	–	321,111	2,096	–		323,207
	90,392,998	10,850,715	72,980,517	(9,323,407)		164,900,823
Liabilities:						
Segment liabilities	44,083,466	160,583,263	4,542,363	(168,263,056)	(iv)	40,946,036
Current tax liabilities	1,259,674	–	–	–		1,259,674
Deferred tax liabilities	1,793,493	–	–	–		1,793,493
	47,136,633	160,583,263	4,542,363	(168,263,056)		43,999,203

32. SEGMENT INFORMATION (CONT'D)

	Mining operations RM	Aquaculture operations RM	Investment holding RM	Adjustment and elimination RM		Total RM
2021						
Revenue:						
External sales	91,819,138	4,036,290	–	–		95,855,428
Inter-segment sales	–	30,423	–	(30,423)	(i)	–
Total revenue	91,819,138	4,066,713	–	(30,423)		95,855,428
Results:						
Segments results	10,992,345	(16,720,689)	(4,707,026)	1,166,951	(ii)	(9,268,419)
Finance costs	(900,565)	(392,827)	–	–		(1,293,392)
Income tax (expense)/credit	(3,572,518)	728	–	–		(3,571,790)
Profit/(Loss) for the financial year	6,519,262	(17,112,788)	(4,707,026)	1,166,951		(14,133,601)
Assets:						
Segment assets	73,091,755	12,283,340	75,285,595	(11,122,174)	(iii)	149,538,516
Current tax assets	1,160,479	294,141	3,427	–		1,458,047
	74,252,234	12,577,481	75,289,022	(11,122,174)		150,996,563
Liabilities:						
Segment liabilities	46,338,764	160,729,260	4,851,599	(169,571,759)	(iv)	42,347,864
Deferred tax liabilities	1,350,302	–	–	–		1,350,302
	47,689,066	160,729,260	4,851,599	(169,571,759)		43,698,166

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

32. SEGMENT INFORMATION (CONT'D)

	Mining operations RM	Aquaculture operations RM	Investment holding RM	Adjustment and elimination RM	Total RM
2022					
Other information					
Depreciation of property, plant and equipment	11,060,733	108,067	963	(16,070)	11,153,693
Amortisation of mineral rights	–	–	2,526,679	2,935	2,529,614
Impairment on financial instruments	–	(989,149)	(3,229,694)	3,241,982	(976,861)
2021					
Depreciation of property, plant and equipment	9,036,782	2,897,486	754	(16,070)	11,918,952
Amortisation of mineral rights	–	–	2,526,679	2,935	2,529,614
Amortisation of broodstocks	–	3,740	–	–	3,740
Fair value loss on biological assets	–	(5,838,819)	–	–	(5,838,819)
Impairment on financial instruments	–	(816,893)	(7,251,620)	7,302,799	(765,714)
Impairment loss on property, plant and equipment	–	(12,108,576)	–	–	(12,108,576)

32. SEGMENT INFORMATION (CONT'D)

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

(i) Inter-segment revenues are eliminated on consolidation.

(ii) Profit/(Loss) from inter segment sales are eliminated on consolidation.

(iii) The following items are added to/(deducted from) segment assets to arrive at total assets reported in the consolidated statements of financial position:

	2022 RM	2021 RM
Property, plant and equipment	(13,075)	(29,145)
Intangible asset	78,500	81,435
Investments in subsidiary companies	(5,051,034)	(6,582,495)
Amount owing by holding company	(4,337,798)	(4,591,969)
	(9,323,407)	(11,122,174)

(iv) The following items are deducted from segment liabilities to arrive at total liabilities reported in the consolidated statements of financial position.

	2022 RM	2021 RM
Amount owing to a subsidiary	4,337,798	4,591,969
Amount owing to immediate holding company	46,529,583	46,631,765
Amount owing to ultimate holding company	117,395,675	118,348,025
	168,263,056	169,571,759

Geographical information

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

	Revenue RM	Non-current assets RM
2022		
Malaysia	149,301,842	133,143,280
2021		
Malaysia	95,855,428	134,268,917

Information about major customers

For mining segment, revenue from one customer (2021: one) represented RM149,301,842 (2021: RM91,819,138) for the Group's total revenue.

In the previous financial year, for aquaculture segment, revenue from one customer represented RM3,628,943 for the Group's total revenue.

STATEMENT BY DIRECTORS

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

We, **DATUK LO FUI MING** and **LO TECK YONG**, being two of the directors of Bahvest Resources Berhad, do hereby state that in the opinion of the directors, the accompanying financial statements set out on pages 62 to 127 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 2022 and of their financial performance and cash flows for the financial year then ended.

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

....
DATUK LO FUI MING
Director

....
LO TECK YONG
Director

Tawau

Date: 18 July 2022

STATUTORY DECLARATION

(Pursuant to Section 251(1) 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 62 to 127 are correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

....
CHONG TZU KHEN

Subscribed and solemnly declared by the abovenamed at Tawau in the State of Sabah on 18 July 2022.

Before me,

Kong Tze Bing (S204)
Commissioner for Oaths

TB No.71-2, Lot 6, Block N, Second Floor,
Kubota Sentral, Jalan Chong Thien Vun,
91000 Tawau, Sabah.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BAHVEST RESOURCES BERHAD (Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Bahvest Resources Berhad, which comprise the statements of financial position as at 31 March 2022 of the Group and of the Company, and the statements of 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 62 to 127.

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

Basis for Opinion

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

Independence and Other Ethical Responsibilities

We are independent of the Group and 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 financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<u>Group and Company</u>

Intangible assets (Note 4 and 6 to the financial statements)

The Group and the Company have significant balances of intangible assets comprising of mineral rights. The Group and the Company estimate the useful lives to amortise the mineral rights based on the management's judgement of the period over which economic benefits will be derived from the mineral rights. The estimated useful lives of mineral rights are reviewed periodically. The amount and timing of recorded expenses for any period would be affected by changes in the estimates.

The carrying amounts of the mineral rights are disclosed in Note 6 to the financial statements.

Our audit response:

Our audit procedures included, among others:
- review and discuss with management on the carrying amount of intangible assets in accordance with MFRS 138 *Intangible Assets;*
- testing the mathematical accuracy of the amortisation charges; and
- review adequacy of allowance for impairment loss in accordance with MFRS 136 *Impairment of Assets*.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

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

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

The directors of the Company are responsible for overseeing the Group's financial reporting process.

INDEPENDENT AUDITORS' REPORT

(CONT'D)

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Other Matters

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

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

Kenny Yeoh Khi Khen
No. 03229/09/2022 J
Chartered Accountant

Kuala Lumpur

Date: 18 July 2022

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 2022 (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	Owned / Plentiful Harvest Sdn. Bhd.	58,636	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	Owned / Plentiful Harvest Sdn. Bhd.	435,579	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	Subleased / Datuk Lo Fui Ming	244,476	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	Owned/ Plentiful Harvest Sdn. Bhd.	179,837	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	Owned / Plentiful Harvest Sdn. Bhd.	256,170	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	Owned / Plentiful Harvest Sdn. Bhd.	89,279	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 2022 (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 Head office	Owned / Plentiful Harvest Sdn. Bhd.	90,241	37 Years	999 Years freehold expiring on 02.09.2911	6,150 sq ft
NT 113077026 KG. Terusan, District of Lahad Datu, Sabah	A parcel of aquaculture land	Subleased / Datuk Lo Fui Ming	160,000	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	Subleased / Datuk Lo Fui Ming	227,500	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	Subleased / Datuk Lo Fui Ming	239,256	N/A	Sublease for 30 years expiring on 31.07.2038	3.557 ha

ANALYSIS OF SHAREHOLDINGS

No. of shares issued : 1,239,779,860
Classes of shares : Ordinary Shares
Voting Rights : One vote per share

ANALYSIS BY SIZE OF THE SHAREHOLDINGS AS AT 4 JULY 2022 (WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

	NO. OF SHAREHOLDERS	%	NO.OF SHAREHOLDINGS	%
1 - 99	21	0.35	552	0.00
100 – 1,000	418	6.88	257,756	0.02
1,001 – 10,000	2,357	38.80	15,283,000	1.23
10,001 – 100,000	2,504	41.22	96,526,300	7.79
100,001 – 61,393,752 (*)	771	12.69	931,634,992	75.15
61,393,753 AND ABOVE (**)	3	0.05	196,077,260	15.82
TOTAL	**6,074**	**100.00**	**1,239,779,860**	**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 4 JULY 2022

	Shareholders Name	No. of Shares Direct	%	No. of Shares Indirect	%
1	Dato' Sri Md Kamal Bin Bilal	9,361,000	0.75	–	–
2	Datuk Lo Fui Ming	200,192,790	16.15	1,088,000(1)	0.09
3	Lo Teck Yong	10,526,160	0.85	–	–
4	Sim Kay Wah	–	–	–	–
5	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 DIRECTORS' OPTION HOLDINGS AS PER THE REGISTER OF DIRECTORS' OPTIONS HOLDINGS AS AT 4 JULY 2022

	Name of Director	No. of Option Direct	%	No. of Option Indirect	%
1	Dato' Sri Md Kamal Bin Bilal	–	–	–	–
2	Datuk Lo Fui Ming	–	–	9,152,000 (1)	6.87
3	Lo Teck Yong	10,356,500	7.77	–	–
4	Sim Kay Wah	–	–	–	–
5	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 4 JULY 2022

	Shareholders Name	No. of Shares Direct	%	No. of Shares Indirect	%
1	Datuk Lo Fui Ming	200,192,790	16.15	–	–
2	Mohd Amir Bin Masry	66,920,974	5.40	–	–

THE 30 LARGEST SECURITIES ACCOUNT SHAREHOLDERS AS AT 4 JULY 2022 (WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

	NAME OF SHAREHOLDERS	NO OF SHAREHOLDINGS	%
1	KENANGA NOMINEES (TEMPATAN) SDN BHD *MOHD AMIR BIN MASRY*	66,920,974	5.40
2	TA NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LO FUI MING*	65,171,886	5.26
3	KENANGA NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LO FUI MING*	63,984,400	5.16
4	HLB NOMINEES (TEMPATAN) SDN BHD *LEONG KAM HENG (CUST.SIN 10678)*	46,976,800	3.79
5	UOB KAY HIAN NOMINIES (TEMPATAN) SDN BHD *EXEMPT AN FOR UOB KAY HIAN PTE LTD*	34,542,000	2.79
6	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD *MAYBANK SECURITIES PTE LTD FOR YONG FEN VOO*	33,977,700	2.74
7	M & A NOMINEE (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LO FUI MING (M&A)*	33,589,000	2.71
8	MARLEX TRADING LTD	30,000,000	2.42
9	CARTABAN NOMINEES (ASING) SDN BHD *EXEMPT AN FOR STANDARD CHARTERED BANK SINGAPORE (EFGBHK-ASING)*	27,758,000	2.24
10	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LIM NYUK SANG @ FREDDY LIM (MQ0423)*	24,800,328	2.00
11	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD *MAYBANK SECURITIES PTE LTD FOR FOO EE WYN*	21,117,700	1.70
12	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LO FUI MING (MY0033)*	19,534,004	1.58
13	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LIM NYUK SANG @ FREDDY LIM (8071811)*	19,449,200	1.57
14	DIONG SIEW GI	19,000,000	1.53
15	CHEONG SOK YIN	18,365,100	1.48
16	AMSEC NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT – AMBANK (M) BERHAD FOR CHEW BEN BEN (SMART)*	15,856,200	1.28
17	DIONG SIEW GI	12,827,600	1.03
18	KENANGA NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNTS FOR LIM TONG LEE*	12,106,400	0.98
19	M & A NOMINEE (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LEE HENG WAI (M&A)*	11,633,000	0.94

ANALYSIS OF SHAREHOLDINGS

(CONT'D)

THE 30 LARGEST SECURITIES ACCOUNT SHAREHOLDERS AS AT 4 JULY 2022 (cont'd)

	NAME OF SHAREHOLDERS	NO OF SHAREHOLDINGS	%
20	LEONG KAM HENG	10,800,000	0.87
21	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LIM FEI NEE (7000197)*	10,701,400	0.86
22	LO TECK YONG	10,526,160	0.85
23	LEW SOON KIAK	10,359,300	0.84
24	DIONG SWEE HOON	10,278,200	0.83
25	UOB KAY HIAN NOMINIES (TEMPATAN) SDN BHD *EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)*	10,288,000	0.82
26	KENANGA NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNTS FOR LO FUI MING (THIRD PARTY)*	10,000,000	0.81
27	RHB NOMUNEES (TEMPATAN) SDN BHD *TAN CHOON PIEW*	10,000,000	0.81
28	DIONG SING PENG	9,642,800	0.78
29	MD KAMAL BIN BILAL	9,360,000	0.75
30	KENANGA NOMINEES (TEMPATAN) SDN BHD *RAKUTEN TRADE SDN BHD FOR LOOI THIAM HOCK*	9,305,000	0.75

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 4 JULY 2022 (WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

	NO. OF WARRANT HOLDERS	%	NO.OF WARRANT HOLDINGS	%
1 - 99	28	1.56	814	0.00
100 – 1,000	94	5.25	44,222	0.01
1,001 – 10,000	387	21.62	2,515,100	0.42
10,001 – 100,000	794	44.36	36,091,456	6.02
100,001 – 29,999,786 (*)	484	27.04	453,429,336	75.57
29,999,787 AND ABOVE (**)	3	0.17	107,914,828	17.99
TOTAL	**1,790**	**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' OPTIONS HOLDINGS AS AT 4 JULY 2022

	Name of Director	No. of Option Direct	%	No. of Option Indirect	%
1	Dato' Sri Md Kamal Bin Bilal	3,129,460	0.52	–	–
2	Datuk Lo Fui Ming	85,071,994	14.18	70,000 (1)	0.01
3	Lo Teck Yong	6,409,330	1.07	–	–
4	Sim Kay Wah	–	–	–	–
5	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 4 JULY 2022 (WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

	NAME OF WARRANT HOLDERS	NO OF HOLDINGS	%
1	KENANGA NOMINEES (TEMPATAN) SDN BHD *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*	35,400,000	5.90
4	HLB NOMINEES (TEMPATAN) SDN BHD *LEONG KAM HENG(CUST.SIN 10678)*	23,632,000	3.94
5	UOB KAY HIAN NOMINIES (TEMPATAN) SDN BHD *EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)*	18,901,000	3.15
6	MARLEX TRADING LTD	15,000,000	2.50
7	LEW SOON KIAK	13,221,200	2.20
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	CARTABAN NOMINEES (ASING) SDN BHD *EXEMPT AN FOR STANDARD CHARTERED BANK SINGAPORE (EFGBHK-ASING)*	11,598,000	1.93
11	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD *MAYBANK SECURITIES PTE LTD FOR FOO EE WYN*	9,899,700	1.65
12	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LIM NYUK SANG @ FREDDY LIM (8071811)*	9,858,900	1.64
13	DIONG SIEW GI	9,500,000	1.58
14	LO TECK YONG	6,409,330	1.07
15	PUBLIC NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR ANG TUNE HOE (E-BPJ)*	6,120,500	1.02
16	NG TEA HOO @ HWANG CHOW HERK	6,000,000	1.00
17	DIONG SIEW GI	5,668,300	0.94
18	SAM WEI KWAN	5,639,700	0.94
19	AMSEC NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT – AMBANK (M) BERHAD FOR CHEW BEN BEN (SMART)*	5,263,100	0.88
20	YONG FEN YOO	5,000,700	0.83

ANALYSIS OF WARRANT HOLDINGS

(CONT'D)

THE 30 LARGEST SECURITIES ACCOUNT WARRANTS HOLDERS AS AT 4 JULY 2022 (cont'd)

	NAME OF WARRANT HOLDERS	NO OF HOLDINGS	%
21	AFFIN HWANG NOMINEES (ASING) SDN BHD *EXEMPT AN FOR PHILLIP SECURITIES (HONG KONG) LTD (CLIENTS' ACCOUNT)*	4,848,600	0.81
22	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD *MAYBANK SECURITIES PTE LTD FOR YONG FEN YOO*	4,777,700	0.80
23	M & A NOMINEE (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LEE HENG WAI (M&A)*	4,748,900	0.79
24	CITYGROUP NOMINEES (TEMPATAN) SDN BHD *EXEMPT AND FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C-R ES)*	4,650,000	0.78
25	LEONG KAM HENG	4,500,000	0.75
26	HOW LIN CHEW @ HOW LIM CHEW	4,296,300	0.72
27	RHB NOMINEES (TEMPATAN) SDN BHD *TAN CHOON PIEW*	4,200,000	0.70
28	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR CHEW CHI HONG (MY1765)*	4,000,000	0.67
29	LOKE LIN THAI	4,000,000	0.67
30	MAYBANK NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR LIM WEI YUEN*	3,980,000	0.66

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 18th Annual General Meeting ("AGM") of Bahvest Resources Berhad ("Bahvest" or "Company") will be held at Western Hall, LA Hotel, MPT No. 299, Jalan St Patrick, (Off Jalan Belunu), 91000 Tawau, Sabah, Malaysia on Friday, 26 August 2022 at 10:00 a.m. for the following purposes:-

AGENDA

AS ORDINARY BUSINESS

1	To receive the Directors' Report and Audited Financial Statements for the financial year ended 31 March 2022 and Auditors Report thereon.	Please refer to Explanatory Note 1
2	To approve the payment of Directors' Fees and Benefits to the Non-Executive Directors up to an amount of RM500,000 for the period from 26 August 2022 until the next Annual General Meeting of the Company.	(Ordinary Resolution 1)
3	To re-elect Datuk Lo Fui Ming, Director retiring by rotation in accordance with Clause 107(1)(b) of the Company's Constitution.	(Ordinary Resolution 2)
4	To re-appoint Messrs Baker Tilly Monteiro Heng PLT as the Company's Auditors until the conclusion of the next AGM and to authorise the Directors to fix their remuneration.	(Ordinary Resolution 3)

AS SPECIAL BUSINESS

To consider and if thought fit, pass the following as Ordinary Resolutions:-

ORDINARY RESOLUTIONS

5 **AUTHORITY TO ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016** (Ordinary Resolution 4)

"**THAT** pursuant to Section 75 and 76 of the Companies Act, 2016, the Directors of the Company be and are hereby authorised to allot and issue shares in the Company at any time until the conclusion of the next AGM upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed ten percent (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being, subject always to the approval of all relevant regulatory bodies being obtained for such allotment and issue.

AND THAT the Directors of the Company whether solely or jointly, be authorised to complete and do all such acts and things (including executing such relevant documents) as he/they may consider necessary, expedient or in the interest of the Company to give effect to the aforesaid mandate."

6 To transact any other ordinary business of the Company for which due notice has been received.

By Order of the Board
Wong Youn Kim (MAICSA 7018778) (SSM PC No. 201908000410)
Sim Oie Ten (MIA 45820) (SSM PC No. 202008004153)
Hiew Vun Pui (MIA 29010) (SSM PC No. 202108000135)
Company Secretary
Kuala Lumpur
28 July 2022

NOTICE OF ANNUAL GENERAL MEETING

(CONT'D)

NOTES

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 19 August 2022 (General Meeting Record of Depositors) shall be entitled to attend, speak and vote at this 18th AGM of the Company.

2. Any member of the Company entitled to attend and vote is entitled to appoint one (1) or more proxies to attend and vote instead of him. A proxy need not be a member of the Company and where a member appoints more than one (1) proxy, the member must specify the proportion of his shareholdings to be represented by each proxy respectively, failing which the appointment shall be invalid.

3. If you wish to appoint as your proxy any person other than "the Chairman of the Meeting", please insert the full name of the proxy (in block letters) in the space provided and delete the words "the Chairman of the Meeting".

4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.

5. A corporation may complete the proxy form under its common seal or under the hand of an officer or attorney duly authorized.

6. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than twenty-four (24) hours before the time appointed for holding this AGM or adjourned general meeting at which the person named in the appointment proposes to vote:

    a. In hard copy form
    In the case of an appointment made in hard copy form, the Proxy Form must be deposited at the Share Registrar's office, Securities Services (Holdings) Sdn Bhd at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur;

    b. By electronic form
    The Proxy Form may also be electronically lodged via fax at +603 2094 9940 or +603 2095 0292 or emailed to info@sshsb.com.my.

7. Please ensure ALL the particulars as required in the Proxy Form are completed, signed and dated accordingly.

8. Last date and time for lodging the Proxy Form is Thursday, 25 August 2022 at 10.00 a.m.

NOTICE OF ANNUAL GENERAL MEETING

(CONT'D)

EXPLANTORY NOTES

1. **Item 1 of the Agenda**

AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

This Agenda item is meant for discussion only as under the provisions of Section 248(2) of the Companies Act, 2016, the audited financial statements do not require formal approval of shareholders and hence, the matter will not be put to a vote.

2. **Item 2 of the Agenda – Ordinary Resolution No. 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 2022 are disclosed on page 22 to 24 of the Overview Statement on Corporate Governance in the Annual Report 2022.

3. **Item (5) of the Agenda – Ordinary Resolution No. 4**

AUTHORITY TO ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016

The proposed ordinary resolution 5 is to seek the shareholders' approval on the renewal of the general mandate for the issuance of shares by the Company under Section 75 and 76 of the Companies Act 2016. If the resolution is duly passed, it will give flexibility to the Directors to issue and allot shares at any time in their absolute discretion and for such purposes as they consider would be in the interests of the Company without convening a general meeting. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM 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 Seventeenth Annual General Meeting held on 28 September 2021 and the said authority will lapse at the conclusion of the Eighteenth 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

I/We ______________________________ NRIC No./Company No ____________________
(FULL NAME IN BLOCK LETTERS)

of ____
(FULL ADDRESS)

Telephone No.: ____________________ Email Address: ______________________________

being a member/members of BAHVEST RESOURCES BERHAD, hereby appoint ____________________
(FULL NAME IN BLOCK LETTERS)

NRIC No. ____________________ of ____
(FULL ADDRESS)

Telephone No.: ____________________ Email Address: ______________________________

or failing him ______________________________ NRIC No. ____________________
(FULL NAME IN BLOCK LETTERS)

of ____
(FULL ADDRESS)

Telephone No.: ____________________ Email Address: ______________________________

or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf, at the 18th Annual General Meeting ("AGM") of the Company to be held at Western Hall, LA Hotel, MPT No. 299, Jalan St Patrick, (Off Jalan Belunu), 91000 Tawau, Sabah, Malaysia on Friday, 26 August 2022 at 10:00 a.m. or any adjournment thereof and to vote as indicated below:-

AS ORDINARY BUSINESS			
		FOR	**AGAINST**
Ordinary Resolution 1	To approve the payment of Directors' Fees and Benefits to Non-Executive Directors up to an amount of RM500,000 for the period from 26 August 2022 until the next AGM of the Company.		
Ordinary Resolution 2	To re-elect Datuk Lo Fui Ming as Director in accordance with Clause 107(1)(b) of the Company's Constitution.		
Ordinary Resolution 3	To re-appoint Messrs Baker Tilly Monteiro Heng PLT as the Company's Auditors until the conclusion of the next AGM and to authorize the Directors to fix their remuneration.		
AS SPECIAL BUSINESS			
Ordinary Resolution 4	To authorize the Directors to allot and issue shares in the Company pursuant to Section 75 and 76 of the Companies Act 2016.		

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.

First Proxy	%
Second Proxy	%
Total:	100%

No. of shares held :	
CDS A/C No.:	

Signed this ________ day of ____________, 2022

____
Signature / Seal of Member

Fold this flap for sealing

NOTE:

1. *In respect of deposited securities, only members whose names appear in the Record of Depositors as at 19 August 2022 (General Meeting Record of Depositors) shall be entitled to attend, speak and vote at this 18th AGM.*
2. *Any member of the Company entitled to attend and vote is entitled to appoint one (1) or more proxies to attend and vote instead of him, and that a proxy need not be a member of the Company and where a member appoints more than one (1) proxy, the member must specify the proportion of his shareholdings to be represented by each proxy respectively, failing which the appointment shall be invalid.*
3. *If you wish to appoint as your proxy any person other than "the Chairman of the Meeting", please insert the full name of the proxy (in block letters) in the space provided and delete the words "the Chairman of the Meeting".*
4. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each Omnibus Account it holds.*
5. *A corporation may complete the proxy form under its common seal or under the hand of an officer or attorney duly authorized.*
6. *Please indicate with and "X" either "For" or "Against". If neither "For" or "Against" is indicated, the proxy will vote as he thinks fit or abstain from voting.*
7. *The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than twenty-four (24) hours before the time appointed for holding this AGM or adjourned general meeting at which the person named in the appointment proposes to vote:*
    a. In hard copy form

       In the case of an appointment made in hard copy form, the Proxy Form must be deposited at the Share Registrar's office, Securities Services (Holdings) Sdn Bhd at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur;
    b. By electronic form

       The Proxy Form may also be electronically lodged via fax at +603 2094 9940 or +603 2095 0292 or emailed to info@sshsb.com.my.
8. *Please ensure ALL the particulars as required in the Proxy Form are completed, signed and dated accordingly.*
9. *Last date and time for lodging the Proxy Form is Thursday, 25 August 2022 at 10.00 a.m*

Then fold here

AFFIX
STAMP

BAHVEST RESOURCES BERHAD
(Registration No. 200401011001 (649504-D))
c/o SECURITIES SERVICES (HOLDINGS) SDN BHD
(Registration No. 197701005827 (36869-T))
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
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