ORIENTAL 1936 BERHAD

193601000037 (845-W)
(Incorporated in Malaysia)

Directors' Report and Audited Financial Statements
31 December 2024

193601000037 (845-W)

Oriental 1936 Berhad
(Incorporated in Malaysia)

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Oriental 1936 Berhad
(Incorporated in Malaysia)

Directors' report

The Directors hereby submit their report and the audited financial statements of the Company for the financial year ended 31 December 2024.

Principal activity

The Company is dormant and has no operations during the financial year.

Immediate, penultimate and ultimate holding companies/body

The immediate and penultimate holding companies are Malaysian Industrial Development Finance Berhad ("MIDF") and MBSB Berhad (formerly known as Malaysia Building Society Berhad)("MBSB") respectively. Both companies are incorporated in Malaysia. The ultimate holding body is Employees Provident Fund ("EPF"), a statutory body established under the Employees Provident Fund Act 1991 (Act 452).

Result

	RM
Loss for the financial year	17,266

In the opinion of the Directors, the result of the operations of the Company for the financial year ended 31 December 2024 was not substantially affected by any item, transaction or event of a material and unusual nature.

Reserves and provisions

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

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 dividend for the financial year ended 31 December 2024.

Directors of the Company

The Directors who served since the beginning of the financial year to the date of this report are as follows:

Sheikh Shahruddin Bin Sheikh Salim
Sim Fen Nee (Appointed w.e.f 5 March 2024)
Ahmad Farouk Bin Mohamed (Resigned w.e.f 21 March 2024)

Directors' interests

None of the Directors holding office as at 31 December 2024 had any interest in the shares of the Company and of its related companies during the financial year.

Directors' remuneration

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 or the fixed salary of a full time employee of the immediate holding company) by reason of a contract made by the Company or a related company with any Director or with a firm of which the Directors are a member, or with a company in which the Directors have a substantial financial interest.

Neither at the end of the financial year, nor at any time during that year, did they subsist any arrangement to which the Company was a party, whereby the Directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Indemnification and Takaful cost

The Directors and Officers of the Company are covered by Directors' and Officers' Liability Takaful of the penultimate holding company, MBSB. During the financial year, the immediate holding company had made payments amounting to RM71,850 (2023: RM82,410) on the annual takaful cost.

Issue of shares and debentures

There were no changes in the issued capital of the Company during the financial year.

There were no debentures issued during the financial year.

Other statutory information

(a) Before the financial statements of the Company were made out, the Directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no known bad debts and that no provision for doubtful debts was necessary; and

(ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the Directors are not aware of any circumstances which would render:

(i) it necessary to write off any bad debts or to make any provision for doubtful debts in respect of the financial statements of the Company; and

(ii) the values attributed to the current assets in the financial statements of the Company misleading.

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

(d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in his report or financial statements of the Company which would render any amount stated in the financial statements misleading.

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

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

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

(f) In the opinion of the Directors:

(i) no contingent liability or other liability 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 Company to meet their obligations when they fall due; and

Other statutory information (cont'd.)

(f) In the opinion of the Directors (cont'd.):

(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 Company for the financial year in which this report is made.

Auditors' remuneration

Auditors' remuneration of the company for the current year is RM2,337.

Signed in accordance with a resolution of the directors dated 28 APR 2025

Sheikh Shahruddin Bin Sheikh Salim

Sim Fen Nee

Petaling Jaya, Malaysia

193601000037 (845-W)

Oriental 1936 Berhad
(Incorporated in Malaysia)

Statement by Directors
Pursuant to Section 251(2) Of the Companies Act 2016

We, Sheikh Shahruddin Bin Sheikh Salim and Sim Fen Nee, being two of the Directors of Oriental 1936 Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 10 to 27 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 Company as at 31 December 2024 and of its financial performance and cash flows for the financial year then ended.

Signed in accordance with a resolution of the directors dated 28 APR 2025

Sheikh Shahruddin Bin Sheikh Salim

Sim Fen Nee

Petaling Jaya, Malaysia

Statutory declaration
Pursuant to Section 251(1)(b) Of the Companies Act 2016

I, Shahnaz Farouque bin Jammal Ahmad, being the Officer primarily responsible for the financial management of Oriental 1936 Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 10 to 27 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared
by the abovenamed
Shahnaz Farouque bin Jammal Ahmad
at Petaling Jaya in the state of
Selangor Darul Ehsan on 28 APR 2025

Shahnaz Farouque bin Jammal Ahmad

Before me,

PESURUHJAYA SUMPAH
B 532
AMMAR BIN
MOHAMAD DAHALAN
01 JANUARI 2024
HINGGA
31 DISEMBER 2026
MALAYSIA

Comissioner for Oaths

No. 43, Kompleks Emporium
Makan Sek 52, Jalan Sultan
46200 Petaling Jaya, Selangor

pwc

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ORIENTAL 1936 BERHAD

(Incorporated in Malaysia)
Registration No. 193601000037 (845-W)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Oriental 1936 Berhad ("the Company") give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

What we have audited

We have audited the financial statements of the Company, which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of material accounting policies, as set out on pages 10 to 27.

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

Information other than the financial statements and auditors' report thereon

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



REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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

In preparing the financial statements of the Company, the Directors are responsible for assessing 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 Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the 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.



REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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:

(a) Identify and assess the risks of material misstatement of the financial statements 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.

(b) 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 Company's internal control.

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

(d) 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 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 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 Company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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 content of this report.



PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants



WILLIAM MAH JIN CHIEK
03085/07/2025 J
Chartered Accountant

Kuala Lumpur
28 April 2025

Oriental 1936 Berhad
(Incorporated in Malaysia)

Statement of financial position
As at 31 December 2024

	Note	2024 RM	2023 RM
Current assets			
Cash and short-term funds	3	13,516	8,044
Financial assets at fair value through profit and loss ("FVTPL")	4	975,493	954,182
Tax recoverable		262	5,810
Total assets		989,271	968,036
Current liabilities			
Other payables		2,524	2,014
Amount due to immediate holding company	5	44,678	6,687
Total liabilities		47,202	8,701
Equity			
Share capital	6	387,083,372	387,083,372
Accumulated losses		(386,141,303)	(386,124,037)
Total equity		942,069	959,335
Total liabilities and equity		989,271	968,036

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

Oriental 1936 Berhad
(Incorporated in Malaysia)

Statement of comprehensive income
For the financial year ended 31 December 2024

	Note	2024 RM	2023 RM
Other income	8	21,466	22,539
Other expenses	9	(38,695)	(26,568)
Loss before taxation		(17,229)	(4,029)
Taxation	10	(37)	(27)
Loss for the financial year, representing total comprehensive loss for the financial year		(17,266)	(4,056)

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

Oriental 1936 Berhad
(Incorporated in Malaysia)

Statement of changes in equity
For the financial year ended 31 December 2024

	Share capital RM	Accumulated losses RM	Total RM
At 1 January 2023	387,083,372	(386,119,981)	963,391
Total comprehensive loss for the financial year	-	(4,056)	(4,056)
At 31 December 2023	387,083,372	(386,124,037)	959,335
Total comprehensive loss for the financial year	-	(17,266)	(17,266)
At 31 December 2024	387,083,372	(386,141,303)	942,069

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

Oriental 1936 Berhad
(Incorporated in Malaysia)

Statement of cash flows
For the financial year ended 31 December 2024

	Note	2024 RM	2023 RM
Cash flows from operating activities			
Loss before taxation		(17,229)	(4,029)
Adjustments for:			
Unrealised gain on financial assets at FVTPL		(21,311)	(22,427)
Interest income		(155)	(112)
Operating loss before working capital changes		(38,695)	(26,568)
Increase/(decrease) in other payables		6,081	(2,828)
Increase/(decrease) in amount due to immediate holding company		37,991	(27,673)
Cash generated from/(used in) operating activities		5,377	(57,069)
Tax paid		(60)	(22)
Net cash generated from/(used in) operating activities		5,317	(57,091)
Cash flows from investing activities			
Proceeds from disposal of financial assets at FVTPL		-	60,000
Interest received		155	112
Net cash generated from investing activities		155	60,112
Net increase in cash and cash equivalents		5,472	3,021
Cash and cash equivalents at 1 January		8,044	5,023
Cash and cash equivalents at 31 December		13,516	8,044
Cash and cash equivalents comprise of:			
Cash and short-term funds	3	13,516	8,044

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

Notes to the financial statements - 31 December 2024

Corporate information

The Company remained dormant during the financial year.

The Company is a public limited company, incorporated and domiciled in Malaysia. The registered office of the Company and the principal place of business is located at Level 25, Menara MBSB Bank, PJ Sentral, Lot 12, Persiaran Barat, Seksyen 52, 46200 Petaling Jaya, Selangor.

The immediate and penultimate holding companies are Malaysian Industrial Development Finance Berhad ("MIDF") and MBSB Berhad (formerly known as Malaysia Building Society Berhad) ("MBSB"), respectively. Both companies are incorporated in Malaysia. The ultimate holding body is Employees Provident Fund ("EPF"), a statutory body established under the Employees Provident Fund Act 1991 (Act 452).

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on

1. Basis of preparation

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

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with MFRS 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 income and expenses during the reported period. It also requires the Directors to exercise their judgement in the process of applying 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 from those estimates.

1. Basis of preparation (cont'd)

(A) Standards, amendments to published standards and interpretation that are effective

The Company has applied the following standards and amendments for the first time for the financial year beginning on 1 January 2024:

- Amendments to MFRS 101 'Classification of liabilities as current or non-current' and 'Non-current Liabilities with Covenants'
- Amendments to MFRS 107 and MFRS 7 'Supplier Finance Arrangements'

The adoption of Amendments to MFRS 101 'Classification of liabilities as current or non-current' and 'Non-current Liabilities with Covenants' and Amendments to MFRS 107 and MFRS 7 'Supplier Finance Arrangements' resulted in changes in accounting policies.

The adoption of other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Amendments to MFRS 101 'Classification of liabilities as current or non-current' and 'Non-current Liabilities with Covenants'

Amendments to MFRS 101 'Classification of liabilities as current or non-current' clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. The classification is unaffected by the entity's expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant that an entity is required to comply with only after the reporting period).

The amendments 'Non-current Liabilities with Covenants' specify that covenants of loan arrangements which an entity must comply with after the reporting date would not affect classification of a liability at the reporting date.

The adoption of the amendments to MFRS 101 did not require the Company to change its classification of borrowings.

Amendments to MFRS 107 and MFRS 7 'Supplier Finance Arrangements'

The amendments require new disclosures about the supplier finance arrangements ("SFA") that enable the users to understand the effects of SFA on the Company's liabilities, cash flows and exposure to liquidity risk.

The adoption of the amendments did not give rise to material financial impact to the Company.

1. Basis of preparation (cont'd.)

(B) Standards and amendments that have been issued but not yet effective

A number of new standards and amendments to standards and interpretations are effective for the financial year beginning after 1 January 2024. The Company has not early adopted these new standards and amendments. None of these are expected to have a significant effect on the consolidated financial statements of the Company, except for the following:

(i) MFRS 18 'Presentation and Disclosure in Financial Statements' (effective 1 January 2027) replaces MFRS 101 'Presentation of Financial Statements'.

The new MFRS introduces a new structure of profit or loss statement.

(a) Income and expenses are classified into 3 new main categories:

i. Operating category which typically includes results from the main business activities;
ii. Investing category that presents the results of investments in associates and joint ventures and other assets that generate a return largely independently of other resources; and
iii. Financing category that presents income and expenses from financing liabilities.

(b) Entities are required to present two new specified subtotals: 'Operating profit or loss' and 'Profit or loss before financing and income taxes'.

Management-defined performance measures are disclosed in a single note and reconciled to the most similar specified subtotal in MFRS Accounting Standards.

Any changes to the guidance on aggregation and disaggregation which focus on grouping items based on their shared characteristics should also be disclosed accordingly.

(ii) Amendments to MFRS 9 and MFRS 7 'Amendments to the Classification and Measurement of Financial Instruments' (effective 1 January 2026) have:

- require financial assets to be derecognised on the date the contractual rights to the cash flows expire and financial liabilities to be derecognised when obligation under the contract is discharged (i.e. the settlement date). In addition, there is an optional exception to derecognise financial liabilities before the settlement date for settlement using electronic payment systems (if specified criteria are met);
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest ("SPPI") criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income ("FVOCI").

1. Basis of preparation (cont'd.)

(B) Standards and amendments that have been issued but not yet effective (cont'd.)

The Company has not early adopted the above standards and amendments to existing standards and is in the process of asessing the impact of initial application when it becomes effective.

The following amendments are not expected to have a significant impact on the financial statements of the Company:

- Amendments to MFRS 121 'Lack of Exchangeability'
- MFRS 19 'Subsidiaries without Public Accountability: Disclosures'
- Annual Improvements to MFRS Accounting Standards for enhanced consistency

2. Summary of material accounting policies

(a) Financial assets

Financial assets are recognised in the statement of financial position when, and only when, the Company becomes a party to the contractual provision of the financial instruments.

When the financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit and loss ("FVTPL"), directly attributable transaction costs.

The Company determines the classification of its financial assets at initial recognition.

(i) Financial assets at amortised cost

Financial assets at amortised cost are those financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. The carrying amount of these assets is adjusted by any expected credit loss ("ECL") allowance recognised and measured. Interest income from these financial assets is measured using the effective interest rate ("EIR") method.

2. Summary of material accounting policies (cont'd)

(a) Financial assets (cont'd)

(ii) Financial assets at FVTPL

The Company classifies financial assets that do not meet the criteria for amortised cost as at FVTPL. Subsequent to initial recognition, financial assets designated at FVTPL are recorded in the statement of financial position at fair value. Changes in fair value are recognised in the statement of comprehensive income under the caption of "Other income".

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of consideration received is recognised in profit or loss.

(b) Impairment of financial assets

The Company assesses on a forward-looking basis the ECL associated with its financial assets carried at amortised cost. Equity instruments are not subject to impairment assessment.

The Company holds financial assets with no financing component and which have maturities of less than 12 months at amortised cost and as such, has chosen to apply an approach similar to the simplified approach for ECL under MFRS 9 to all its financial assets. Therefore, the Company does not track changes in credit risk, but instead, recognises a loss allowance based on lifetime ECLs at each reporting date.

The Company's approach to ECL reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The ECL model also applies to contract assets under MFRS 15 *Revenue from Contracts with Customers*.

2. Summary of material accounting policies (cont'd.)

(c) Financial liabilities

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

Financial liabilities, within the scope of MFRS 9, are recognised in the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company classifies all its financial liabilities as other financial liabilities at amortised cost.

Financial liabilities are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest rate method.

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

(d) Cash and cash equivalents

For the purpose of statement of cash flows, cash and cash equivalents comprise cash and bank balances and deposits and placements with banks with original tenure of three months or less, which are subject to an insignificant risk of changes in value.

(e) Fair value measurement

The Company measures financial instruments such as financial investments FVTPL at fair value at each statement of financial position date.

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

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

2. Summary of material accounting policies (cont'd.)

(f) Fair value measurement (cont'd.)

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

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

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

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The fair value hierarchies of financial instruments that are measured at fair value are disclosed in Note 13.

(g) Taxation

Income tax on profit or loss for the financial year comprises current tax and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the financial year and is measured using the tax rates that have been enacted at the reporting date.

Deferred tax is provided for, using the liability method. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that 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 arises from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

2. Summary of material accounting policies (cont'd.)

(g) Taxation (cont'd)

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 that have been enacted or substantively enacted at the reporting date. Deferred tax is recognised as income or expense and included in profit or loss for the period, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also recognised directly in equity.

(h) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable.

Interest income from cash and short term fund is recognised on an accrual basis using the effective interest rate method.

3. Cash and short-term funds

	2024 RM	2023 RM
Cash and bank balances	13,516	8,044

4. Financial asset at FVTPL

	2024 RM	2023 RM
At fair value		
Unit trust	975,493	954,182

This represents investment in a unit trust fund managed by a related company.

5. Amount due to immediate holding company

The amount due to immediate holding company is non-trade in nature, unsecured, interest-free and is repayable on demand.

6. Share capital

	Number of ordinary shares		Amount	
	2024 Unit	2023 Unit	2024 RM	2023 RM
Issued and fully paid-up:				
At 1 January/ 31 December	387,083,372	387,083,372	387,083,372	387,083,372

7. Deferred tax

Deferred tax assets have not been recognised for the following items as the Company is currently dormant with no business income:

	2024 RM	2023 RM
Unabsorbed capital allowances	9,264,270	9,264,270
Unutilised tax losses	329,217,489	329,217,489
	338,481,759	338,481,759

The unutilised tax losses are available for offsetting against future taxable profits for a maximum period of ten years of assessment of the Company until year of assessment 2028 while unabsorbed capital allowance can be offset indefinitely under the Income Tax Act 1967 and guidelines issued by the tax authority.

8. Other income

	2024 RM	2023 RM
Interest income	155	112
Unrealised gain on financial assets at FVTPL	21,311	22,427
	21,466	22,539

9. Other expenses

	2024 RM	2023 RM
Auditors' remuneration	2,337	1,900
Shared service charges	17,650	18,900
Other expenses	18,708	5,768
	38,695	26,568

10. Taxation

	2024 RM	2023 RM
Income tax expense for the financial year	37	27

A reconciliation of income tax expense applicable to loss before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Company is as follows:

	2024 RM	2023 RM
Loss before taxation	(17,229)	(4,029)
Taxation at Malaysian statutory tax rate of 24% (2023: 24%)	(4,135)	(967)
Non-deductible expenses	9,287	6,376
Income not subjected to tax	(5,115)	(5,382)
Tax expense for the financial year	37	27

11. Significant related party transactions and balances

For the purposes of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The following significant transactions between the Company and related parties took place at terms mutually agreed between the parties during the financial year.

	2024 RM	2023 RM
Transactions with immediate holding company		
Expenses:		
Shared service charges	17,650	18,900
Amount due to immediate holding:		
Expenses paid on behalf	(44,678)	(6,687)

12. Financial risk management objectives and policies

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk and liquidity risk.

The Board of Directors recognises that all areas of the Company's business involve some degree of risk and is committed to ensure that an effective risk management process is in place to manage those risks. The Company has established a Group Risk Management Policy and Methodology to identify, assess and monitor the key financial risks of the Company.

The Risk Management Committee ("RMC") is responsible to review the key financial risks of the Company and to monitor the implementation of risk management strategies for those risks. The RMC is supported by the Group Risk Management Division ("GRMD") whose primary objective is to facilitate the assessment of the key financial risks of the Company as well as to ensure that the recommendations of risk management strategies to mitigate the impact of those risks are implemented.

Other objectives of the GRMD include promoting the practice of a strong risk management culture across the Company, optimising the sharing of risk information across the Company and preparing the Company to deal with uncertainties and thus ensure continuity of operations. Group Control Assurance Services also evaluates and contributes to the effectiveness of Risk Management in the Company.

The exposure to key financial risks as mentioned above and its risk management policies have been monitored throughout the current and previous financial year.

The carrying amounts of financial instruments by categories are as follows:

	2024 RM	2023 RM
Financial assets at FVTPL	975,493	954,182
Financial assets at amortised cost	13,516	8,044
Financial liabilities at amortised cost	47,202	8,701

12. Financial risk management objectives and policies (cont'd.)

The following sections provide details regarding the Company's exposure to the above-mentioned key financial risks and the objectives, policies and processes for the management of these risks.

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Company's exposure to credit risk arises primarily from cash and bank balances. The Company minimises credit risk by dealing with the high credit rating counterparties.

Maximum exposure to credit risk

At the reporting date, the Company's maximum exposure to credit risk is represented by carrying amount of the class of financial assets recognised in the statement of financial position.

Credit quality of financial assets

At the reporting date, the financial assets of the Company which are exposed to credit risk, are neither past due nor impaired. The financial assets are in respect of counterparties with good credit standing.

(b) Liquidity risk

Liquidity risk is the exposure to loss as a result of the Company's inability to generate and maintain sufficient cash flows to fund daily operations.

It is the Company's policy to maintain sufficient liquidity to fund daily operations and to meet its obligations. The objective of the management is to ensure that the Company is able to meet any cash flow shortfalls in a cost effective manner and management is responsible for the monitoring of the cash flows to ensure the Company is able to meet all its liquidity requirements.

All financial liabilities of the Company as at reporting date have contractual remaining maturities of less than one year. Included in financial liabilities of the Company are other financial payables and amount due to immediate holding company. These intercompany balances are unsecured, non-interest bearing and are repayable on demand.

12. Financial risk management objectives and policies (cont'd.)

(c) Price risk

Price risk is the risk of unfavourable changes in the fair values of equities as the result of changes in the portfolio valuation. The price risk exposure arises from the Company's investment in a unit trust fund.

Price risk sensitivity

Management's best estimate of the effect on the profit for the financial year due to a reasonably possible change in price, with all other variables held constant is indicated in the table below:

	Effects on profit after tax Increase/(decrease)	
	2024 RM	2023 RM
Unit trust fund		
+10% changes in price	97,549	95,418
-10% changes in price	(97,549)	(95,418)

13. Fair value measurement

The fair value of financial assets at FVTPL of the Company is measured based on level 2 inputs.

The fair value of the other financial assets and financial liabilities that are not carried at fair value approximate the carrying amounts due to their relatively short-term maturity.

14. Capital management

The Company manages its capital by following the immediate holding company's policies and guidelines and also seeks approval from the Board with regard to all capital management matters. Presently, the Company's activities are entirely funded via its shareholders' funds.