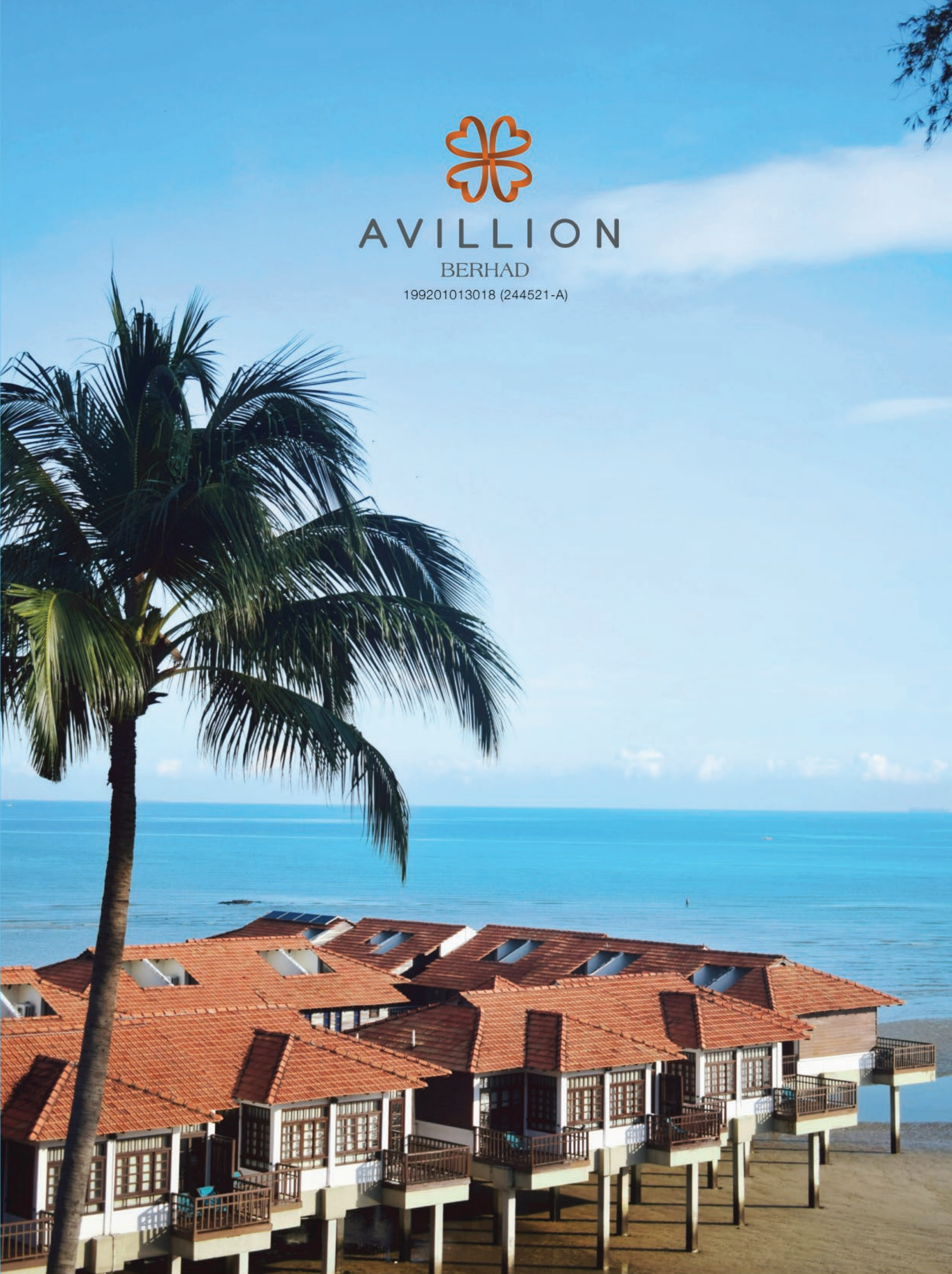
AVILLION

BERHAD

199201013018 (244521-A)



ANNUAL REPORT 2026

AVILLION
BERHAD

VISION

WE AIM TO EXCEL IN SERVING MOTHER NATURE AND COMMUNITY, OFFERING PROPERTIES THAT ENRICH LIVES, PROMOTE WELLNESS, AND CREATE LASTING MEMORIES FOR GENERATIONS TO COME.

MISSION

i. Design, develop and manage tranquil, eco-conscious resorts, hotels, and properties that inspire creativity and beauty.

ii. Cherish and safeguard our natural resources – sea, land and trees – as they are our guardians in return.

iii. Continuously evolve and elevate our skills to exceed the expectations of our customers, offering experiences that surpass their wildest dreams.

iv Leverage data and technology to optimise our services and delivery.

v. Nurture our team, recognising that their well-being is paramount to our success.

vi. Pay attention to the smallest details, knowing that they yield significant rewards in the end.

CONTENTS

AVILLION
BERHAD

CORPORATE INFORMATION

Board of Directors

Datuk Lim Chai Hock
(Chairman, Non-Independent Non-Executive Director)

Yeo Tek Ling
(Managing Director / Chief Executive Officer)

Lim Bay Gie
(Non-Independent Non-Executive Director)

Lee En Dian
(Alternate Director to Lim Bay Gie)

Dato' Seri Jamil Bin Bidin
(Independent Non-Executive Director)

Datin Norizan Binti Idris
(Independent Non-Executive Director)

Ho Soo Woon
(Independent Non-Executive Director)

Tan Chee Wan
(Independent Non-Executive Director)

Datuk Dr. Yacob Bin Mustafa
(Independent Non-Executive Director)

Audit Committee

Ho Soo Woon (Chairman)
Datin Norizan Binti Idris
Tan Chee Wan

Nomination Committee

Datin Norizan Binti Idris (Chairman)
Ho Soo Woon

Remuneration Committee

Ho Soo Woon (Chairman)
Datin Norizan Binti Idris

Company Secretaries

Jeremy Tai Yung Wei
MAICSA No. 7065447
(SSM PC No. 202308000580)

Thong Pui Yee
MAICSA No. 7067416
(SSM PC No. 202008000510)

Registered Office

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

Tel: 03-2262 0100
Fax: 03-2262 0293

Email: info@avillionberhad.com

Share Registrars

ShareWorks Sdn Bhd
199101019611 (229948-U)

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

Tel: 03-6201 1120
Fax: 03-6201 3121

Email: ir@shareworks.com.my

Principal Bankers

RHB Bank Berhad
Malayan Banking Berhad
CIMB Bank Berhad

Principal Auditors

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

Chartered Accountants (Malaysia)
Baker Tilly Tower, Level 10,
Tower 1, Avenue 5
Bangsar South City,
59200 Kuala Lumpur

Tel: 03-2297 1000
Fax: 03-2282 9980

Stock Exchange Listing

Main Market
Bursa Malaysia Securities Berhad

Stock Name: AVI
Stock Code: 8885

AVILLION PORT DICKSON
AWARDS

2024

Agoda Awards 2024
Winner – Gold Circle

Haute Grandeur Global Excellence Awards 2024
Best Beach Hotel in Asia
Best Beachfront Hotel in Asia
Best Spa Hotel in Asia
Best Destination Wedding Hotel in Malaysia

2019

International Hotel Awards 2019
Highly Commended Luxury Hotel Malaysia

Agoda Award 2019
Winner – Gold Circle

2018

World Luxury Hotel Awards 2018
Luxury Family Beach Resort

HAPA Malaysia Awards Series 2018 - 2020
Family & Recreational Resort (Benchmark Achiever)

2017

World Luxury Hotel Awards 2017
Winner - Luxury Beach Resort, Malaysia Category
Winner - Luxury Spa Hotel, Malaysia Category

International Hotel Awards 2017-2018
Best Large Hotel
Best Resort Hotel
Best Spa Hotel
Best Wedding Venue

World Luxury Restaurant Awards 2017
Regional Winner - Luxury Family Restaurant

2016

World Luxury Hotel Award 2016
Winner - Luxury Spa Hotel, Malaysia Category

2015

19th Malaysia Tourism Award 2014/2015
Finalist - Best Spa Category

2012

World Luxury Hotel Awards 2012
Country Luxury Boutique Hotel

Best of Malaysia Awards 2012
Best Family Stay, Excellence Awards

2011

World Luxury Hotel Awards 2011
Country Luxury Boutique Hotel

2010

World Luxury Hotel Awards 2010
Luxury Boutique Hotel

Hotel Club Awards 2010
Outstanding Beach Resort

2000

Pertubuhan Arkitek Malaysia (PAM) 2000
Hotel & Resort Buildings: Excellence Award in Architecture

AVI SPA AWARDS

2019

Haute Grandeur Global Excellence Awards 2019
Best Spa Design in Asia
Best Boutique Spa in Malaysia
Best Destination Spa in Malaysia

2018

Haute Grandeur Global Excellence Awards 2018
Best Resort Spa in Malaysia

HAPA Malaysia Awards Series 2018 – 2020
Most Outstanding - HAPA Spa of the Year

2017

Haute Grandeur Global Hotel Awards 2017
Best Resort Spa in Malaysia

2016

Luxury Lifestyle Awards 2016
Winner - Luxury Spa & Wellness Centre of Malaysia

World Luxury Spa Awards 2016
Finalist - Best Luxury Resort Spa

Hospitality Asia Platinum Awards Malaysia (HAPA), Malaysia Series 2016-2018
Winner - HAPA Indulging Spa of the Year
Tempting Experience

2015

World Luxury Spa Awards 2015
Winner - Best Luxury Resort Spa

Luxury Lifestyle Awards 2015
Winner - Luxury Spa & Wellness Centre of Malaysia

2014

World Luxury Spa Awards 2014
Winner - Best Luxury Resort Spa
Finalist - Best Luxury Destination Spa

2013

Hospitality Asia Platinum Awards Malaysia (HAPA), Malaysia Series 2013-2015
Winner - HAPA Indulging Spa of the Year
Tempting Experience

World Luxury Spa Awards 2013
Finalist - Best Luxury Resort Spa

2012

World Luxury Spa Awards 2012
Best Luxury Emerging Spa

Asia Pacific Property Awards 2012
Leisure Architecture for Malaysia

2010

Hospitality Asia Platinum Awards Malaysia (HAPA), Series 2010-2012
HAPA Best Experience

2009

Malaysia Spa & Wellness Awards (MSWA) 2009
Best New Spa
Best Traditional Treatment, Malay Strength

Harper's Bazaar Spa Awards 2009
Most Unique Spa Destination

The Malaysian Women's Weekly 2009
Best Spa with a View: Best In Beauty - Quality, Results & Services

Asia Pacific Interior Design Awards (APIDA), 2009
Silver Award Recipient

AVILLION ADMIRAL COVE AWARD

2018

MAH Hotel Management Grand Prix Awards 2018
Second Runner-Up Prize

GROUP STRUCTURE

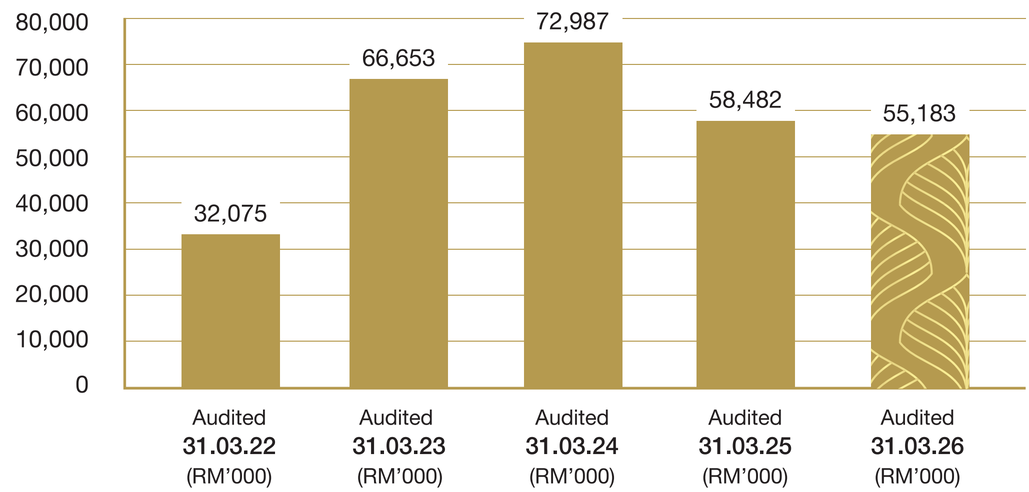
AS OF 31 MARCH 2026

- **Hotel** Division
  - Avillion Hotel Group Sdn Bhd
    - Avillion Hotels International Sdn Bhd
    - Avi Spa Sdn Bhd
    - Avillion Suite Hotel (PD) Sdn Bhd
    - Avillion Vista Hotel Sdn Bhd
    - Avillion Hotel (KL) Sdn Bhd
    - PT Avillion Indonesia
  - Fortune Valley Sdn Bhd
- **Property** Division
  - RPB Development Sdn Bhd
    - Admiral Cove Development Sdn Bhd
      - Admiral Marina Berhad
      - Genius Field Sdn Bhd
    - Admiral Hill Hotel Sdn Bhd
    - Meridian Haven Sdn Bhd
      - Golden Envoy (M) Sdn Bhd
    - Mela Lifestyle Sdn Bhd
    - Nesline Sdn Bhd
      - Taman Unik Sdn Bhd
    - Festive Place Sdn Bhd
      - Vast Access Sdn Bhd
- **Travel** Division
  - RPB Holdings (Overseas) Ltd
    - Reliance Travel Agencies (S) Pte Ltd, Singapore
    - Vacation Singapore DMC Pte Ltd, Singapore
    - Reliance Travel (Hong Kong) Limited, Hong Kong
    - Vacation Asia (HK) Limited, Hong Kong
  - Reliance E-Com Sdn Bhd
    - Reliance Shipping & Travel Agencies (Perak) Sdn Bhd
- **Support** Companies
  - RPB Capital Holdings Sdn Bhd
    - OS Resources Sdn Bhd
    - Avi Agro Sdn Bhd

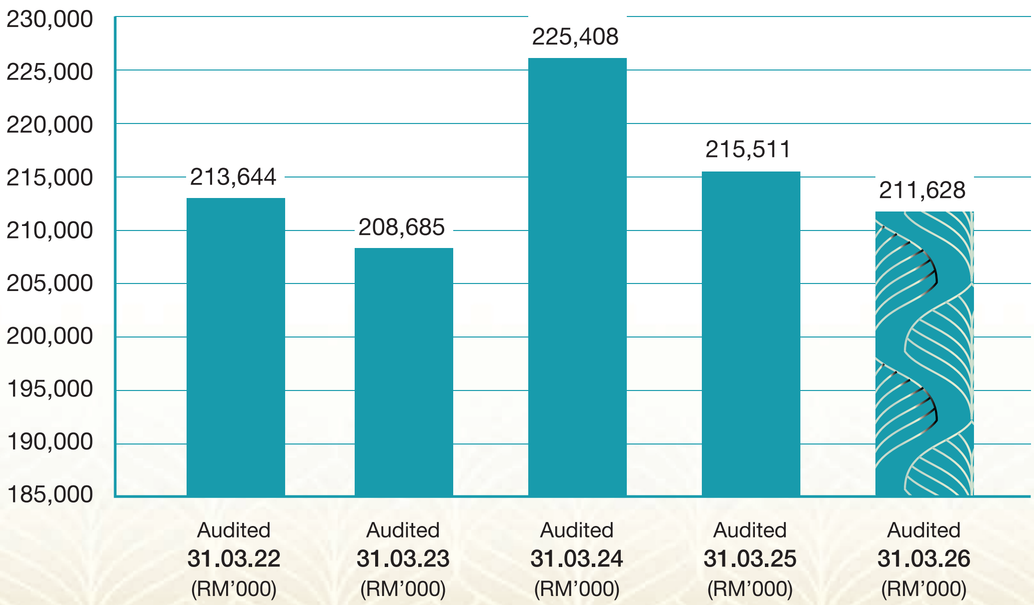
GROUP FIVE-YEAR
FINANCIAL HIGHLIGHTS

	Audited **31.03.22** (RM'000)	Audited **31.03.23** (RM'000)	Audited **31.03.24** (RM'000)	Audited **31.03.25** (RM'000)	Audited **31.03.26** (RM'000)
Revenue	32,075	66,653	72,987	58,482	55,183
Net Assets	213,644	208,685	225,408	215,511	211,628

Revenue



Net Assets



CHAIRMAN'S STATEMENT

Dear Valued Shareholders,

On behalf of the Board of Directors of Avillion Berhad, I am pleased to present the Annual Report and audited financial statements of the Group for the financial year ended 31 March 2026.

The financial year under review marked a transitional period for the Group, characterised by strategic recalibration, operational resilience, and decisive action to strengthen our long-term fundamentals. Having assumed the role of Non-Independent Non-Executive Chairman on 12 September 2025, I have worked closely with the Board and management to undertake a review of the Group's businesses, capital structure, and strategic priorities. With this review, we strive to provide a clear and actionable roadmap that will guide the Group's transformation and position it for sustainable recovery, disciplined growth, and long-term value creation for our shareholders.

FINANCIAL PERFORMANCE OVERVIEW

For the financial year ended 31 March 2026, the Group recorded a loss after tax of RM14.9 million, compared to a loss of RM8.8 million in the preceding financial year. The Group's financial performance was significantly affected by a one-off impairment charge of RM4.9 million arising from structural damage to pontoon assets caused by Typhoon Senyar. Excluding this exceptional, non-recurring impairment, the Group's underlying operational performance improved, with its operating loss narrowing by RM2.1 million year-on-year, underscoring the fundamental resilience of our core business operations during the financial year.

Group revenue for the financial year ended 31 March 2026 stood at RM55.2 million compared with RM58.5 million in the preceding financial year. The marginal decline in overall Group revenue was primarily attributable to lower contributions from the hotel and travel division, which experienced softer demand and intensified competition. However, the decline was partially offset by an improved performance from the property division, which recorded modest revenue growth from ongoing business.

On the balance sheet front, a key milestone during the year was the successful completion of a private placement exercise, which raised RM11.3 million in new equity. The proceeds from this placement have strengthened our working capital position and enhanced our financial flexibility, providing the Group with greater capacity to support ongoing operations and facilitate the implementation of its strategic initiatives.

STRATEGIC PRIORITIES AND PROGRESS

The Board has identified three core strategic pillars that will underpin the Group's recovery, strengthen its operational performance, and support its long-term sustainable growth:-

1. Enhancing Our Core Hospitality Assets

Our flagship property, Avillion Port Dickson Resort, remains the cornerstone of the Group's hospitality portfolio. A phased refurbishment programme is currently underway, aimed at modernising the resort's facilities, enhancing operational efficiency, and elevating the overall guest experience. Upon completion, the Board expects the upgraded resort to strengthen its market positioning, improve occupancy and average room rates, and enhance the property's long-term earnings potential, thereby contributing positively to the Group's financial performance.

2. Rationalising Non-Core Assets

The Board is actively reviewing opportunities to rationalise selected non-core, low-yielding and non-strategic properties within the Group's portfolio. This strategic initiative is intended to unlock embedded capital value of these properties, optimise the Group's asset base, and improve capital efficiency. Subject to prevailing market conditions, any proceeds from such disposals shall be redeployed towards strengthening the Group's balance sheet, supporting strategic investments, and funding higher-return business opportunities that are aligned with the Group's long-term growth objectives.

3. Strengthening the Financial Position

Strengthening the Group's financial position and maintaining adequate liquidity remain top priorities of the Board. Management continues to engage proactively with financial institutions to secure and optimise banking facilities. In parallel, the Board is evaluating various capital management initiatives to bolster the Group's capital structure and provide the necessary resources to support the execution of its long-term strategic plans. The Board is confident that these combined efforts are expected to enhance the Group's capital structure, improve financial flexibility, and provide a stronger foundation for sustainable growth.

BOARD COMPOSITION AND GOVERNANCE

During the financial year under review, the Board underwent a number of significant changes, with the appointment of several new directors who bring with them diverse range of relevant expertise across corporate restructuring, and capital markets. These appointments form part of our broader commitment to strengthening the Board's composition, enhancing the breadth of skills and perspectives, and upholding high standards of corporate governance. The Board is confident that the renewed composition will provide strong stewardship and sound oversight as we navigate the Group through its turnaround phase.

On behalf of the Board, I would also like to extend our appreciation to the outgoing directors for their valuable contributions during their tenure.

OUTLOOK FOR THE FINANCIAL YEAR ENDING 31 MARCH 2027

Looking ahead, the Board's priorities for the forthcoming financial year remain clear and focused on strengthening the Group's operational and financial position which shall include but not limited to:

- Accelerating the refurbishment programme and commercial performance of our hospitality assets;
- Optimising the Group's capital structure through the reduction of borrowings and finance costs; and
- Securing appropriate funding to support working capital and the execution of the Group's strategic growth initiatives.

While the operating environment remains challenging, the Board believes that the strategic measures already set in motion, combined with the dedication of our management team, provide a sound foundation for the Group's continued recovery and position the Group well to navigate near-term headwinds and emerge stronger over the medium term.

ACKNOWLEDGEMENTS

On behalf of the Board, I extend our sincere appreciation and deepest gratitude to our management and employees for their resilience, commitment, and hard work throughout the year. Their professionalism and collective efforts have been instrumental in supporting the Group's ongoing transformation initiatives. I also wish to thank our shareholders, business partners, and financial institutions for their continued trust and unwavering support during this period of transition. Your confidence in the Group has been invaluable, and we are deeply grateful for the encouragement and partnership you have extended to us as we implement our strategic turnaround initiatives.

As we look ahead, the Board is confident that the measures undertaken over the past year have established a stronger platform for the Group's recovery and future growth. While challenges remain, we believe the Group is better positioned today than it has been in recent years to capitalise on new opportunities and deliver improved performance.

The Board remains committed to acting in the best interests of all stakeholders and executing the Group's strategic priorities and plans with discipline, prudence and accountability. Together with the continued support of our shareholders, financiers, business partners, and dedicated employees, we look forward with confidence to building a stronger, more resilient Group and to deliver sustainable long-term value for all our stakeholders.

DATUK LIM CHAI HOCK
Chairman
30 July 2026

MANAGEMENT DISCUSSION & ANALYSIS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

1.0 OVERVIEW AND STRATEGIC HIGHLIGHTS

1.1 About Avillion Berhad

Avillion Berhad ("Avillion" or "the Group") is a public company listed on the Main Market of Bursa Malaysia, with a diversified portfolio spanning three core divisions: Hotel and Resort Management, Property Development, and Travel Services. The Group is focused on enhancing operational performance, strengthening its balance sheet, and creating sustainable long-term value for its stakeholders.

1.2 Key Strategic Actions in FY2026

During the financial year ended 31 March 2026 ("FY2026"), the Group took decisive steps to fortify its financial position and revitalise its core business:

- **Strengthened Financial Foundation:**

  The Group successfully raised RM11.3 million through a private placement of 283 million new shares. Of this, RM3.82 million has been allocated to working capital to support day-to-day operations and strategic initiatives.

- **Investing in Core Assets:**

  A commitment of RM4.0 million was made for the initial phase of a comprehensive refurbishment and enhancement programme at Avillion Port Dickson, a key flagship asset.

- **Active Balance Sheet Management:**

  The Group made significant progress in reducing its financial liabilities, with total borrowings decreasing by 12.9% to RM67.4 million through scheduled repayments.

- **Strengthened Governance:**

  During the year, the Board was revitalised with the appointment of five new directors, bringing fresh perspectives and expertise to guide the Group through its transition.

2.0 FINANCIAL PERFORMANCE REVIEW

2.1 Consolidated Financial Results

Financial Year 2026 was a year of transition and strategic investment, characterised by a challenging operating environment that impacted both top-line revenue and profitability. Despite these headwinds, the Group demonstrated resilience in its underlying operational cash flow generation.

Metric	FY2026 (RM'000)	FY2025 (RM'000)	Change	Comments
Revenue	55,183	58,482	(5.6%)	Decline driven by softer performance in Hotel and Travel segments.
Gross Profit	27,110	31,108	(12.9%)	Margin compression due to higher operational costs despite the revenue drop.
Gross Margin	49.1%	53.2%		
Loss After Tax	(14,883)	(8,840)	(68.4%)	
Loss Attributable to Owners	(13,777)	(6,708)	(105.4%)	

The net loss of RM14.9 million includes a significant, one-off, non-cash impairment charge of RM4.9 million. This relates to pontoon structures damaged by Typhoon Senyar at a marina operation.

Excluding this one-off item:

- The underlying operating loss was RM5.5 million
- This represents an RM2.1 million (61.4%) increase from FY2025's operating loss of RM3.4 million
- The impairment charge accounts for approximately 48% of the total reported operating loss

2.2 Statement of Financial Position

The Group's balance sheet has been strengthened through active debt reduction and the capital raising exercise.

Metric	31 Mar 2026 (RM'000)	31 Mar 2025 (RM'000)	Change	Comments
Total Assets	346,769	361,115	(4.0%)	Largely due to the impairment of the pontoon assets.
Total Borrowings	67,412	77,385	12.9%	Positive trend: Significant reduction through repayments.
Total Liabilities	135,141	145,604	7.2%	
Shareholders' Equity	211,460	214,237	(1.3%)	Stable, supported by the RM11.3 million raised via private placement.

2.3 Cash Flow and Liquidity

Operating cash flow is the cornerstone of financial health, and the Group's performance in this area is noteworthy.

Metric	FY2026 (RM'000)	FY2025 (RM'000)	Comments
Operating Cash Flow	5,119	4,291	Improved by 19.3%. Demonstrates the underlying cash-generating capability of core operations.
Investing Cash Flow	(1,568)	(1,104)	Higher capex for the refurbishment programme.
Financing Cash Flow	453	(5,855)	Positive swing due to proceeds from the private placement.
Net Change in Cash	4,004	(2,668)	
Cash & Cash Equivalents (End)	(13,232)	(17,172)	Improved by RM3.94 million. The negative position remains, but the improvement is a key positive indicator.

2.4 Key Financial Ratios

Ratio	FY2026	FY2025	Comments
Current Ratio	1.04x	1.21x	Remains near the 1.0x mark, indicating sufficient current assets to cover short-term liabilities.
Debt-to-Equity	0.64x	0.68x	Improved. A healthier ratio following the reduction in borrowings.

Note on Debt-to-Equity Ratio: The debt-to-equity ratio is calculated as total borrowings divided by shareholders' equity. The improvement from 0.68x to 0.64x reflects the Group's disciplined debt reduction efforts during FY2026.

3.0 SEGMENTAL PERFORMANCE ANALYSIS

3.1 Hotel Division

The Hotel Division remains the Group's largest revenue contributor, accounting for 57% of total revenue in FY2026.

Metric	FY2026 (RM'000)	FY2025 (RM'000)	Change
Revenue	31,482	33,011	(4.6%)
Loss Before Tax	(3,874)	(2,358)	(64.3%)

The division faced a challenging year with revenue softening due to market pressures and competitive intensity. The higher loss was driven by the impairment charge on the marina pontoon. Key assets include Avillion Port Dickson and Avillion Admiral Cove.

3.2 Property Division

Metric	FY2026 (RM'000)	FY2025 (RM'000)	Change
Revenue	13,074	12,564	4.1%
Loss Before Tax	(5,842)	42	(14,009.5%)

Revenue saw modest growth from ongoing projects. The significant swing to a loss was primarily due to lower gross profit and higher operating costs. The division's primary focus is on monetising its substantial inventory to strengthen the Group's cash position.

3.3 Travel Operations

Metric	FY2026 (RM'000)	FY2025 (RM'000)	Change
Revenue	10,627	12,907	(17.7%)
Loss Before Tax	(420)	161	(360.9%)

The travel segment experienced a significant revenue decline due to subdued outbound travel demand and intense competition. Operations are concentrated in Hong Kong. The division is focused on adapting its business model and leveraging its digital presence to capture growth as the travel industry recovers.

4.0 FUTURE PROSPECTS AND STRATEGIC PRIORITIES

The Board is cautiously optimistic about the outlook for FY2027. Management has a clear and actionable plan to navigate the current challenges and deliver sustainable long-term value.

4.1 Hotel Division: A Strategic Revitalisation

The Group is investing in its core hospitality assets to drive future growth. The refurbishment programme at Avillion Port Dickson is a key pillar of this strategy.

- **Asset Enhancement:**

  The initial RM4.0 million phase focuses on upgrading hotel rooms, the restaurant, and pool facilities. This is expected to enhance the resort's competitiveness, drive higher occupancy rates, and improve average room revenue upon completion.

- **Commercial Strategy:**

  The Group will intensify marketing efforts, strengthen its digital presence, and develop innovative packages to attract a broader demographic.

- **Market Outlook:**

  The gradual recovery in international tourist arrivals and sustained domestic tourism demand are expected to support revenue growth.

- **Cost Discipline:**

  Operational efficiency and cost management initiatives will remain a priority to protect margins.

4.2 Property Division: Monetisation and Focus

The primary focus for the Property Division in FY2027 will be on unlocking capital from its existing inventory.

- **Aggressive Monetisation:**

  Intensifying sales and marketing efforts for completed and ongoing development projects to convert inventory into cash.

- **Asset Disposal:**

  Actively exploring the disposal of low-yielding and non-strategic land parcels. This will generate cash proceeds, reduce ongoing holding costs, and further streamline the balance sheet.

4.3 Travel Division: Adaptation and Agility

The Travel Division will focus on adapting to evolving consumer preferences and navigating an increasingly competitive market landscape.

- **Digital Transformation:**

  Strengthening its digital and online presence to capture customers efficiently.

- **Niche Development:**

  Developing niche travel products to differentiate itself from competitors.

- **Strategic Partnerships:**

  Forging strategic partnerships with airlines and hotels to enhance its product offering and value proposition.

- **Cost Optimisation:**

  Maintaining a tight control on costs and focusing on operational efficiency.

5.0 FINANCIAL OUTLOOK AND GOING CONCERN

The Group is acutely aware of the challenges highlighted by the net loss and negative cash position. However, the underlying improvements in operational performance are encouraging.

- **Underlying Performance:** Excluding the one-off RM4.9 million impairment, the adjusted operating loss was RM5.5 million, compared to RM3.4 million in FY2025. While the underlying loss increased by RM2.1 million, the Group's core operations demonstrated resilience amidst challenging market conditions.

- **Strengthened Cash Flow:** Operating cash flow improved to RM5.1 million, demonstrating that the core business can generate cash.

- **Proactive Financial Management:** The Group is pursuing a multi-pronged strategy to solidify its financial position:

  1. **Fundraising:** The Company will carry out further fundraising exercises to raise additional working capital and strengthen its equity base.

  2. **Asset Disposal:** As noted above, the monetisation of non-core assets is expected to be a key source of liquidity.

  3. **Banking Partnerships:** The Company is in active discussions with financial partners to ensure the continuity and extension of existing banking facilities.

The Board is confident that with the right strategy, strong governance, and a committed team, the Group has a clear path towards financial stability. The preparation of the financial statements on a going concern basis remains appropriate.

6.0 CONCLUSION

FY2026 was a year of significant transition, defined by strategic investment, proactive balance sheet management, and navigating a challenging operational landscape. The Group reported an operating loss of RM10.4 million, which was heavily impacted by a non-recurring RM4.9 million impairment charge on the pontoon structure damaged by Typhoon Senyar.

Excluding this one-off item:

- The underlying operating loss was RM5.5 million
- This represents an RM2.1 million (61.4%) increase from FY2025's operating loss of RM3.4 million
- The impairment charge accounts for approximately 47% of the total reported operating loss

Key Achievements of FY2026:

- Successfully raised RM11.3 million to strengthen the equity base.
- Achieved a 12.9% reduction in total borrowings (from RM77.4 million to RM67.4 million).
- Generated improved operating cash flow of RM5.1 million (from RM4.3 million in FY2025).
- Improved debt-to-equity ratio from 0.68x to 0.64x, reflecting stronger financial positioning.

Outlook for FY2027 and Beyond:

The Group is cautiously optimistic. The hospitality segment is poised for improved performance, driven by the refurbishment of Avillion Port Dickson and a gradual recovery in tourism. The property division will focus on converting inventory and non-core assets into cash. The travel division is adapting to a dynamic market landscape.

With a revitalised Board, a clear strategy, and a committed management team, Avillion Berhad is focused on building a more resilient and profitable future for all stakeholders.

Acknowledgments

The Board of Directors extends its sincere appreciation to the management, employees, business partners, shareholders, and financial institutions for their unwavering support and commitment throughout a challenging year. Their collective efforts are the foundation for the Group's future success.

PROFILE OF DIRECTORS

DATUK LIM CHAI HOCK

NON-INDEPENDENT
NON-EXECUTIVE CHAIRMAN

Age	Gender	Nationality
67	Male	Malaysian

Board Committee belongs:
Nil

Other directorship in public companies and listed corporations:
PT Bayan Resources Tbk, Indonesia

Family relationship with director/ major shareholder:
Father of Ms. Lim Bay Gie

Conflict of interest:
15% equity interest in Avillion Berhad

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

Number of Board meetings attended:
6/6

Date of appointment:
12 September 2025

QUALIFICATIONS

- Certificate in Land Surveying from Lembaga Jurukur Tanah Malaysia.

WORKING EXPERIENCE & OCCUPATION

Datuk Lim Chai Hock ("Datuk Lim") is the Chief Operating Officer and Director of PT Bayan Resources Tbk, one of Indonesia's largest coal producers. He is also a co-founder of the Bayan Group and serves on the Board of several of its subsidiary companies.

Datuk Lim has over 40 years of experience in the coal mining and mining infrastructure industries. Prior to joining the Bayan Group, he served as Regional Manager at PT Jaya Sumpiles Indonesia from 1983 to 1998, a company focused on coal mining infrastructure projects.

In 1998, Datuk Lim was appointed as Director of PT Gunungbayan Pratamacoal.

YEO TEK LING

MANAGING DIRECTOR / CHIEF EXECUTIVE OFFICER

Age	Gender	Nationality
67	Male	Malaysian

Board Committee belongs:
Nil

Other directorship in public companies and listed corporations:
Nil

Family relationship with director/ major shareholder:
Nil

Conflict of interest:
Nil

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

Number of Board meetings attended:
8/8

Date of appointment:
28 October 2025
(Joined as Independent Non-Executive Director on 13 August 2025)

QUALIFICATIONS

- Member of the Malaysian Institute of Accountants ("MIA");
- Member of the Chartered Institute of Management Accountants ("CIMA"), U.K.

WORKING EXPERIENCE & OCCUPATION

Mr. Yeo Tek Ling ("Mr. Yeo") currently serves as the Managing Director / Chief Executive Officer of Avillion Berhad.

Mr. Yeo is responsible for leading the strategic direction and overall operations of the Avillion Group. He brings more than 40 years of experience in accounting and finance, corporate governance, strategic management, supply chain management, quality management systems, and business operations.

He began his career in 1981 with Associated Pan Malaysia Cement Sdn. Bhd. as an Assistant Accountant before joining Advanced Packaging Technology (M) Sdn. Bhd. ("APT") in 1985, which was subsequently listed in 1994. During his 36 years with APT, he held various senior management positions, including Finance Director (1996–2019) and Managing Director (2020–2021), before retiring in 2021.

Mr. Yeo has also made significant contributions to the accounting profession, having served on the Council of the Malaysian Institute of Accountants (MIA), held leadership roles within the Chartered Institute of Management Accountants (CIMA) Malaysia Division, and served as a member of the Professional Accountants in Business Committee of the International Federation of Accountants (IFAC), New York, from 2002 to 2007.

LIM BAY GIE

NON-INDEPENDENT
NON-EXECUTIVE DIRECTOR

Age	Gender	Nationality
37	Female	Malaysian

Board Committee belongs:
Nil

Other directorship in public companies and listed corporations:
Nil

Family relationship with director/ major shareholder:
Daughter of Datuk Lim Chai Hock

Conflict of interest:
Deemed interest in a 15% equity interest in Avillion Berhad by virtue of her relationship with Datuk Lim Chai Hock.

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

Number of Board meetings attended:
6/6

Date of appointment:
12 September 2025

QUALIFICATIONS

- Bachelor of Chemical Engineering, Curtin University, Australia;
- Master of Finance and Accounting, University of Western Australia

WORKING EXPERIENCE & OCCUPATION

Ms. Lim Bay Gie ("Ms. Bay Gie") has more than 10 years of experience in strategic management, administration, finance, operations and real estate management.

Ms. Bay Gie began her career in 2015 as Head of Operations at Lim Ko Pi Sdn Bhd ("LKP"), where she led the company's expansion from Ipoh to the Klang Valley. She was responsible for managing the operations of three outlets across the Klang Valley. In 2020, she was subsequently promoted to a Management and Advisory role at LKP.

Since 2024, Ms. Bay Gie has also served as a Director of Litebay Innovative Management Sdn Bhd, overseeing the Company's operations and specializing in the management of real estate properties.

LEE EN DIAN

ALTERNATE DIRECTOR TO LIM BAY GIE, THE NON-INDEPENDENT NON-EXECUTIVE DIRECTOR

Age	Gender	Nationality
40	Male	Malaysian

Board Committee belongs:
Nil

Other directorship in public companies and listed corporations:
Nil

Family relationship with director/ major shareholder:
Nephew of Datuk Lim Chai Hock

Conflict of interest:
Nil

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

Number of Board meetings attended:
6/6

Date of appointment:
12 September 2025

QUALIFICATIONS

- Bachelor of Laws (Honours), King's College London U.K.
- Member of Lincoln's Inn, U.K.

WORKING EXPERIENCE & OCCUPATION

Partner at Lee Fook Leong & Co.

DATO' SERI JAMIL BIN BIDIN

INDEPENDENT NON-EXECUTIVE DIRECTOR

Age	Gender	Nationality
68	Male	Malaysian

Board Committee belongs:
Nil

Other directorship in public companies and listed corporations:
Nil

Family relationship with director/ major shareholder:
Nil

Conflict of interest:
Nil

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

Number of Board meetings attended:
9/9

Date of appointment:
12 September 2024

QUALIFICATIONS

- Master in Finance, University of Hull, United Kingdom

WORKING EXPERIENCE & OCCUPATION

Dato' Seri Jamil Bin Bidin ("Dato' Seri Jamil") started his career as an accountant with Rothmans of Pall Mall (M) Berhad in 1984 and has over the years, acquired extensive experience in auditing, corporate finance and financial management in management and Board level in local and overseas public listed companies such as C.I. Holding Berhad, Arab Malaysian Group and Malaysian Resources Corporation Berhad.

Dato' Seri Jamil also held the position of Managing Director / Chief Executive Officer of Putera Capital Berhad, a Main Board public listed company with activities in manufacturing, construction, property development and engineering. He was the Chief Executive Officer of Halal Industry Development Corporation in 2006 until December 2018.

Prior to his appointment as Chief Executive Officer, Dato' Seri Jamil was the Corporate Advisor of KUB Malaysia Berhad, a Main Board conglomerate with business in information and communication technology, education and training, food and beverage, events, energy, property development and construction.

DATIN NORIZAN BINTI IDRIS

INDEPENDENT NON-EXECUTIVE DIRECTOR

Age	Gender	Nationality
48	Female	Malaysian

Board Committee belongs:

Chairman of Nomination Committee

Member of Audit Committee

Member of Remuneration Committee

Other directorship in public companies and listed corporations:
Nil

Family relationship with director/ major shareholder:
Nil

Conflict of interest:
Nil

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

Number of Board meetings attended:
9/9

Date of appointment:
04 April 2019

QUALIFICATIONS

- Bachelor of Corporate Administration, Universiti Teknologi MARA ("UiTM")

WORKING EXPERIENCE & OCCUPATION

Datin Norizan Binti Idris ("Datin Norizan") has more than two decades of professional experience spanning financial services, property development and management, oil and gas, corporate advisory and investment analysis.

Datin Norizan is currently an Investment Analyst with an organisation in the energy sector, focusing on investment strategy, investment and divestment evaluation, financial and commercial analysis, business performance and portfolio value optimisation.

Prior to assuming her current role, Datin Norizan served as the Chief Executive Officer of an investment holding company overseeing investments and business operations in the property development and property management sectors. In that capacity, Datin Norizan was responsible for the company's strategic direction, investment oversight, financial stewardship and overall corporate performance.

Earlier in her career, Datin Norizan held various positions with PETRONAS, Damansara Realty Berhad and Alliance Bank Malaysia Berhad. Datin Norizan experience encompasses corporate strategy, financial planning and analysis, performance management, corporate finance, governance and the development of new business ventures.

HO SOO WOON

INDEPENDENT NON-EXECUTIVE DIRECTOR

Age	Gender	Nationality
63	Male	Malaysian

Board Committee belongs:

Chairman of Audit Committee

Chairman of Remuneration Committee

Member of Nomination Committee

Other directorship in public companies and listed corporations:
KNM Group Berhad

Family relationship with director/ major shareholder:
Nil

Conflict of interest:
Nil

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

Number of Board meetings attended:
9/9

Date of appointment:
12 September 2024

QUALIFICATIONS

- Business Administration (Banking and Finance), National University of Singapore

WORKING EXPERIENCE & OCCUPATION

Mr. Ho Soo Woon ("Mr. Ho") has over 36 years of experience in corporate, commercial, financial and operational matters spanning across various business sectors including banking, manufacturing, real estate, healthcare, oil and gas and mining.

Mr. Ho started his career as a bank executive in 1985 with the Arab Malaysian Banking Group. Subsequently in 1987, Mr. Ho was recruited by the Hong Leong Banking Group as one of their pioneer team members in the Corporate Division to spearhead the Bank's new strategic focus to grow its small and medium enterprises loan portfolio in Malaysia.

Mr. Ho currently serves on the Board of KNM Group Berhad. Mr. Ho was previously the Commercial Director of Atrium Real Estate Investment Trust (a real estate investment trust listed on the Kuala Lumpur Stock Exchange) in 2018 and AHB Holdings Berhad (a furniture manufacturer listed on the Kuala Lumpur Stock Exchange) in 2020.

Mr. Ho is the founder and Managing Director of Tesoro Capital Sdn Bhd.

TAN CHEE WAN

INDEPENDENT NON-EXECUTIVE DIRECTOR

Age	Gender	Nationality
65	Male	Malaysian

Board Committee belongs:
Member of Audit Committee

Other directorship in public companies and listed corporations:
Nil

Family relationship with director/ major shareholder:
Nil

Conflict of interest:
Nil

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

Number of Board meetings attended:
6/6

Date of appointment:
03 November 2025

QUALIFICATIONS

- Fellow Member (FCMA) of the Chartered Institute of Management Accountants (CIMA) U.K.
- Member of the Malaysian Institute of Accountants (MIA)

WORKING EXPERIENCE & OCCUPATION

Mr. Tan Chee Wan ("Mr. Tan") has more than 25 years of hands-on corporate experience in various areas of management and functions in diverse industries including auditing, printing, construction, manufacturing, consultancy, engineering and trading. Other than finance, accounting, auditing, taxation, corporate finance and credit control, some of the other functions include general management, business development, strategic business planning, performance improvement, quality assurance, human resources, information technology, budgeting and strategic cost management.

Mr. Tan has had a long and distinguished career as a management accountant in a number of well-known Malaysian and international companies. Mr. Tan started his career in finance as an auditor. In 2000, Mr. Tan joined KNM Berhad as group finance manager and played a pivotal role in KNM's listing submission. In December 2005, Mr. Tan worked for Coats Thread (Malaysia) Sdn. Bhd., an MNC based in the UK as Finance Manager / Director and retired in March 2012 to form Wanfah Prosper Training and Consultancy.

As the pioneer CIMA Global Membership Assessor from Malaysia, Mr. Tan is actively involved in delivering talks and conducting workshops for potential members who wanted to apply for CIMA membership locally as well as in overseas and has conducted in-house training as well as public training programmes on Finance and Accounting both locally as well as in Cambodia for various industries such as hotels, manufacturing, universities, governments, construction, trading etc.

DATUK DR. YACOB BIN MUSTAFA

INDEPENDENT NON-EXECUTIVE DIRECTOR

Age	Gender	Nationality
64	Male	Malaysian

Board Committee belongs:
Nil

Other directorship in public companies and listed corporations:
Aimax Berhad

Family relationship with director/ major shareholder:
Nil

Conflict of interest:
Nil

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

Number of Board meetings attended:
5/5

Date of appointment:
16 January 2026

QUALIFICATIONS

- Bachelor of Accounting, Universiti Malaya
- Master of Business Administration, Universiti Kebangsaan Malaysia
- Doctor of Philosophy in Economics, University Kebangsaan Malaysia
- Member of the Malaysian Institute of Accountants (MIA)
- Member of CPA (Aust)

WORKING EXPERIENCE & OCCUPATION

Datuk Dr. Yacob Bin Mustafa ("Datuk Dr. Yacob") has had a distinguished career in Malaysia's public finance sector, culminating in his appointment as the Accountant General of Malaysia, a position he held until his retirement in August 2023.

Starting his career in 1987, Datuk Dr. Yacob swiftly progressed through various key positions within the Malaysian government, including Director of the Central Operation and Agency Services Division and Deputy Accountant General (Operation). Appointed as the Accountant General in October 2019 to August 2023.

Throughout his public service career, Datuk Dr. Yacob served under several Ministers of Finance and played a key role in advancing Malaysia's fiscal strategies and enhancing public sector financial governance.

His influence extends to various board and committee roles, contributing to the strengthening of public finance and administration governance. Datuk Dr. Yacob has been a member of the Audit Committee of Perbadanan Insurans and Deposit Malaysia (PIDM) since 2019, and the Finance and Investment Committee of Majlis Agama Islam Wilayah Persekutuan (MAIWP) since 2022.

In 2023, Datuk Dr. Yacob joined the Audit Committee of the Razak School of Government. In addition, Datuk Dr. Yacob been appointed Chairman of Hong Seng Consolidated Berhad ("HSCB") in 2024 and subsequently appointed as Deputy Chairman of HSBC in November 2025.

Datuk Dr. Yacob was recognised by the Global Accounting Hall of Fame in 2018. He brings extensive experience and expertise make him a valuable contributor in senior advisory or directorial roles, contributing significantly to financial governance and policy development.

PROFILE OF KEY SENIOR MANAGEMENT

YEO TEK LING MANAGING DIRECTOR / CHIEF EXECUTIVE OFFICER	Age	Gender	Nationality
	67	Male	Malaysian

Please refer to Profile of Director, page 17.

CHING KIAN HOE, ANDY CHIEF FINANCIAL OFFICER	Age	Gender	Nationality
	59	Male	Malaysian

Mr. Ching Kian Hoe ("Mr. Andy"), a Malaysian aged 59, was appointed Chief Financial Officer of Avillion Berhad on 30 July 2026 after joining the Group as General Manager – Finance on 30 March 2026.

Mr. Andy is a seasoned finance professional with over 30 years of extensive experience in accounting, financial management and strategic leadership across diverse industries, including manufacturing, trading, airline catering, food and beverage, logistics, supply chain and laundry services. He has held numerous senior executive positions in various corporate organisations.

Over the past 12 years, Mr. Andy served as Group Chief Financial Officer ("CFO") in public listed companies, where he was responsible for overseeing full-spectrum financial operations, corporate governance and regulatory compliance. His expertise includes financial reporting, treasury management, tax planning, internal controls, corporate finance, fundraising, mergers and acquisitions, and debt restructuring.

Mr. Andy possesses extensive knowledge of Bursa Malaysia's Listing Requirements and reporting regulations, having successfully led finance functions in public listed companies. In addition to his financial expertise, he has broad commercial experience in sales and marketing, logistics operations, training, public speaking and general insurance.

Mr. Andy is a member of The Chartered Institute of Management Accountants ("CIMA"), United Kingdom.

Mr. Andy does not hold any directorships in public companies or listed issuers and is independent of the Board of Directors and the major shareholders of Avillion Berhad.

SEE ENG WAH CHIEF OPERATING OFFICER	Age	Gender	Nationality
	66	Male	Malaysian

Mr. See Eng Wah ("Mr. See"), a Malaysian aged 66, was appointed Chief Operating Officer of Avillion Berhad in April 2026 after joining the Group as Financial Controller on 21 October 2025.

Mr. See holds a Bachelor of Accounting from Universiti Malaya (UM) and has over 40 years of extensive experience in corporate governance, enterprise resource planning (ERP), digital transformation and operational management. As Chief Operating Officer, he is responsible for driving the Group's operational strategy, transformation initiatives and operational excellence across its hospitality and property development businesses.

Throughout his career, Mr. See has held advisory and senior leadership roles with Telekom Malaysia Berhad ("TM"), Telkom SA (South Africa) and Bank Negara Malaysia, where he led and advised on enterprise resource planning (ERP), billing and revenue management systems, as well as large-scale digital transformation initiatives. He was also a member of the JomPAY Working Committee at Payments Network Malaysia Sdn. Bhd. (PayNet), contributing to the implementation of Malaysia's national bill payment infrastructure.

Mr. See leverages his strong background in both accounting and information technology (IT) to enhance operational efficiency, strengthen corporate governance and support the Group's long-term strategic growth.

Mr. See does not hold any directorships in public companies or listed issuers and is independent of the Board of Directors and the major shareholders of Avillion Berhad.

FONG WAI LEONG CHIEF STRATEGIC OFFICER	Age	Gender	Nationality
	57	Male	Malaysian

Mr. Fong Wai Leong ("Mr. Fong"), a Malaysian aged 57, was appointed to the Board on 12 October 2023 and was redesignated as Chief Executive Officer on 18 January 2024. Subsequently, he was redesignated as Chief Strategic Officer on 11 September 2025.

As Chief Strategic Officer, Mr. Fong is responsible for formulating the strategic direction of the Avillion Group of Companies. He possesses over 30 years of experience in the fields of corporate management, finance and technology.

Prior to joining the Group, Mr. Fong served as the Group Chief Executive Officer of PanPages Berhad, a company listed on the Main Market of Bursa Malaysia. He began his professional career with KPMG as an Auditor before joining CIMB as an Investment Banker.

Throughout his career, Mr. Fong has served on the boards of PanPages Berhad and Cepatwawasan Group Berhad, both public listed companies in Malaysia, ASTI Holdings Limited, a company listed in Singapore, as well as various private companies across Malaysia, Singapore, Hong Kong, Thailand, Vietnam, Indonesia and Cambodia. He currently serves on the boards of PBS Berhad, Oceancash Pacific Berhad, and Experian Information Services (Malaysia) Sdn. Bhd.

Mr. Fong is a member of the Malaysian Institute of Certified Public Accountants.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

INTRODUCTION

The Board of Directors ("the Board") of Avillion Berhad ("the Company" or "AVILLION") reaffirms its unwavering commitment to upholding the highest standards of corporate governance across the Company and its subsidiaries ("the Group"). This commitment is fundamental to realising sustainable long-term shareholder value while duly safeguarding the interests of all stakeholders, including employees, customers, business partners, and the broader community.

This Corporate Governance Overview Statement provides a summary of the Company's application of the principles and practices set out in the Malaysian Code on Corporate Governance ("MCCG"). The Board is satisfied that the Group has substantially adhered to the recommended practices throughout the financial year ended 31 March 2026.

Full Disclosure: Detailed disclosures on the application of each MCCG practice are available in the Corporate Governance Report, which can be accessed on the Group's website at: https://www.avillionberhad.com/our-company/corporate-governance/

PRINCIPLE A — BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

Practice 1.1 — Board Duties and Responsibilities

The Board holds ultimate accountability for the Group's long-term performance and sustainability. It provides strategic leadership, oversees the Group's operations, and ensures that robust governance frameworks are in place to guide decision-making and risk management.

The Board's principal functions include:

No.	Key Responsibility
1.	Providing strategic direction and ensuring the Group's objectives are aligned with long-term value creation.
2.	Formulating key policies and overseeing investments and business activities.
3.	Ensuring appropriate corporate disclosure policies and procedures are maintained.
4.	Establishing succession planning and ensuring that Senior Management appointments are of the highest calibre.
5.	Identifying principal risks and ensuring the implementation of effective internal controls.

The Board delegates specific functions to Board Committees and entrusts Management with the day-to-day execution of business operations. The Board Charter and Terms of Reference of each Committee delineate the matters reserved for the Board's approval and the delegation of authority.

Practice 1.2 & 1.4 — The Board Chairman

The Board is chaired by Datuk Lim Chai Hock, the Non-Independent Non-Executive Chairman, whose strong entrepreneurial background and extensive leadership experience guide the Board. The Chairman is not a member of the Nomination Committee, Audit Committee, or Remuneration Committee.

The Chairman presides over all Board meetings, ensuring that each agenda item is given sufficient time for discussion and that all Directors are afforded equal opportunity to express their views. He facilitates an environment of transparency, accountability, and open dialogue, encouraging active and constructive participation from all Board members.

The roles, responsibilities, and authorities of each committee are clearly defined in their respective terms of reference, ensuring proper governance, role clarity, and accountability.

Practice 1.3 — Separation of Roles: Chairman and CEO

The roles of the Chairman and Managing Director / Chief Executive Officer ("CEO") are held by separate individuals, with clearly defined and distinct responsibilities:

Role	Responsibility
Chairman	Leads the Board, ensures its effectiveness, and facilitates constructive dialogue among Directors.
Managing Director / Chief Executive Officer	Manages the Group's business operations, implements strategic direction, and oversees day-to-day management.

Mr. Yeo Tek Ling serves as the Managing Director / Chief Executive Officer of Avillion Berhad.

This clear segregation of responsibilities ensures an appropriate balance of power and authority, enabling effective oversight and independent decision-making.

The details of the Board Charter and Terms of Reference are available for reference on the Company's website at www.avillionberhad.com.

Practice 1.5 — Company Secretaries

The Board is supported by two (2) qualified and competent Company Secretaries who play a crucial role in ensuring good governance practices are upheld. Their key functions include:

No.	Function
1.	Advising the Board on governance, regulatory compliance, and statutory obligations.
2.	Ensuring that Directors are kept informed of relevant legal and regulatory developments.
3.	Attending all Board and Committee meetings and ensuring accurate recording of minutes.
4.	Maintaining proper corporate records and facilitating Board communications.

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

Practice 1.6 — Information and Support for Directors

The Board meets at least quarterly, and additional meetings are convened as and when required. All Directors received meeting materials in advance, including agendas, minutes, financial reports, and relevant supporting documents, to facilitate informed decision-making.

Key Features:

Feature	Description
Meeting Materials	Circulated in advance to allow sufficient time for review.
Management Representation	Senior Management attends meetings to provide insights and address queries.
Circular Resolutions	Used for matters requiring approval between meetings.
Access to Information	Directors have unrestricted access to Company records and Management.
Independent Advice	Directors may obtain independent professional advice at the Company's expense, subject to prior consultation with the Chairman.

Practice 2.1 — Board Charter

The Board Charter serves as a governance blueprint, outlining the roles, responsibilities, composition, and processes of the Board. It provides clarity on:

- The Board's leadership and oversight functions.
- Delegation of authority to Board Committees and Management.
- Core corporate governance principles.

The Board Charter and the Terms of Reference of all Committees are reviewed periodically to ensure they remain relevant and aligned with evolving regulatory and business requirements.

The details of the Board Charter and Terms of Reference are published on the Company's website at www.avillionberhad.com.

Practice 3.1 — Code of Ethics and Conduct

The Group has in place a Code of Ethics and Conduct ("the Code") and is committed to promoting and maintaining high standards of transparency, accountability, and ethics in the conduct of its business and operations. The Group's Employee Handbook governs the terms and conditions of employment and the standards of ethics and good conduct expected of the Chief Executive Officer and employees.

The Board has established the Code for Directors, which describes the standards of business conduct and ethical behaviour for Directors in the performance and exercise of their duties and responsibilities as Directors of the Company or when representing the Company.

The Code of Ethics and Conduct is available on the Company's website at www.avillionberhad.com.

Practice 3.2 — Whistleblowing Policy

The Board is committed to maintaining the highest standards of integrity, openness, and accountability in the conduct of its businesses and operations. It has established a Whistleblowing Policy that provides a channel to enable employees and other stakeholders to report any suspected breaches of law or regulations or any illegal acts observed in the Group, including:

No.	Matter
1.	Financial malpractice or fraud
2.	Non-compliance with regulatory requirements
3.	Danger to health, safety, or the environment
4.	Criminal activity
5.	Corruption

Key Features of the Whistleblowing Policy:

Feature	Description
Protection	Whistleblowers are accorded confidentiality and protection against adverse actions, provided that disclosures are made in good faith.
Procedures	The policy outlines clear reporting protocols for reporting genuine concerns.
Accessibility	The Whistleblowing Policy is reviewed periodically and is available on the Company's website at **www.avillionberhad.com.**

Practice 4.1 — Responsibility for the Governance of Sustainability

The Board is responsible for overseeing the Group's sustainability agenda, practices, strategies, and performance, supported by Management. Management is tasked with integrating sustainability considerations into the day-to-day operations of the Group and ensuring the effective implementation of the Group's sustainability strategies and plans.

The Sustainability Statement of the Group provides an overview of sustainability performance for the financial year ended 31 March 2026.

Practice 4.2 & 4.3 — Effective Communication with Stakeholders & Sustainability Issues

The Group values transparent and open communication with all stakeholders. Engagement is conducted through various channels to better understand stakeholder expectations and to seek feedback on matters of mutual interest.

Materiality Assessment:

The Group conducts an annual materiality assessment to ensure that its sustainability focus areas remain relevant to stakeholders. The results of the assessment are disclosed in the Sustainability Statement of the Annual Report 2026.

Practice 4.4 — Performance Evaluations of the Board

The Board and Board Committees undergo an annual performance evaluation, facilitated by the Nomination Committee. The evaluation assesses:

No.	Area of Assessment
1.	Board and Committee performance and effectiveness.
2.	Board skills matrix and composition.
3.	Individual Directors' performance, competency, and independence.
4.	The Chairman's leadership and effectiveness.

Key Findings of the Assessment:

No.	Finding
1.	Directors have discharged their responsibilities commendably and demonstrated full commitment.
2.	The Board's composition reflects an appropriate mix of skills, expertise, and diversity.
3.	Independent Directors have maintained objectivity and independence in their decision-making.
4.	Board Committees have operated effectively and contributed positively to the Group.

II. Board Composition

Practice 5.1 & 5.7 — Nomination Committee & Appointment and Re-appointment of Directors

The Nomination Committee performs a Board Assessment on an annual basis to ensure that the Board comprises individuals with the appropriate mix of skills, expertise, and experience to lead the Group effectively.

During the financial year, the Nomination Committee conducted a thorough assessment of Directors who are seeking re-election at the forthcoming 34th Annual General Meeting ("34th AGM"). The Committee concluded that the following Directors are eligible for re-election:

No.	Director	Basis of Re-election
1.	Mr. Yeo Tek Ling	Pursuant to Clause 100
2.	Dato' Seri Jamil Bin Bidin	Pursuant to Clause 100
3.	Datuk Lim Chai Hock	Pursuant to Clause 107
4.	Ms. Lim Bay Gie	Pursuant to Clause 107
5.	Mr. Tan Chee Wan	Pursuant to Clause 107
6.	Datuk Dr. Yacob Bin Mustafa	Pursuant to Clause 107

The Board has approved and proposed the re-election of Mr. Yeo Tek Ling, Dato' Seri Jamil Bin Bidin, Datuk Lim Chai Hock, Ms. Lim Bay Gie, Mr. Tan Chee Wan, and Datuk Dr. Yacob Bin Mustafa at the forthcoming 34th AGM.

Board Changes during and after the Financial Year

No.	Director	Change	Effective Date
1.	Mr. Fong Wai Leong	Retired during the financial year	11 September 2025
2.	Mr. Li, Anwei	Retired during the financial year	11 September 2025
3.	Mr. Yeo Tek Ling	Appointed as Independent Non-Executive Director	13 August 2025
4.	Mr. Yeo Tek Ling	Redesignated as Managing Director / Chief Executive Officer	28 October 2025
5.	Mr. Christopher Lawrence Bachran	Resigned after the financial year	24 April 2026 (announced on 27 April 2026)

Disclosure of Director Profiles and Interests

Detailed profiles of the Directors seeking re-election at the 34th AGM, including their qualifications, working experience, directorships in other public listed companies, relationship with any Directors or major shareholder, and any conflict of interest with the Company, are set out in the Profile of Directors section of the Annual Report 2026.

The interests of the Directors in the securities of the Company, as well as their attendance at Board of Directors' meetings held during the financial year ended 31 March 2026, are also disclosed in the Annual Report.

Practice 5.2, 5.3 & Step Up 5.4 — Independent Directors

The Board currently consists of eight (8) members, comprising:

Category	Number
Non-Independent Non-Executive Chairman	1
Executive Director / Managing Director / CEO	1
Non-Independent Non-Executive Director & Alternate Director	1
Independent Non-Executive Directors	5

Based on the annual review of the composition of the Board carried out by the Nomination Committee, the Board is satisfied that its current size and composition reflect an appropriate balance of experience and expertise adequate for the scope and nature of the Group's business and operations.

The Board delegates specific responsibilities to the following three (3) Board Committees in discharging its fiduciary duties:

Committee	Role
Nomination Committee ("NC")	Oversees Board composition, appointments, and performance evaluations
Audit Committee ("AC")	Oversees financial reporting, risk management, and internal controls
Remuneration Committee ("RC")	Oversees remuneration policies for Directors and Key Senior Management

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

Independent Directors' Role:

- Provide a balanced and independent view.
- Require persons of calibre, integrity, business acumen, credibility, skills, and experience.
- Bring independent judgment on issues of strategy, performance, and resources, including key appointments and standards of conduct.

Tenure of Independent Directors:

In line with MCCG recommendations, Independent Directors serve a cumulative term not exceeding nine (9) years. The Board confirms that the tenure of all Independent Directors is within this limit. Should the Board wish to retain an Independent Director beyond this period, shareholders' approval will be sought.

Practice 5.5 & 5.6 — Diversity & Sourcing of Directors

The Nomination Committee ensures that the Board comprises a balanced mix of knowledge, skills, and experience. When considering new appointments, the Committee undertakes a thorough review of candidates based on:

No.	Criteria
1.	Qualifications and professional expertise.
2.	Relevant experience and industry knowledge.
3.	Personal attributes and time commitment.
4.	Ability to contribute effectively to Board deliberations.

Appointments and Redesignations During the Financial Year:

No.	Director	Role	Effective Date
1.	Datuk Lim Chai Hock	Non-Independent Non-Executive Chairman	12 September 2025
2.	Ms. Lim Bay Gie	Independent Non-Executive Director	12 September 2025
3.	Mr. Lee En Dian	Alternate Director to Ms. Lim Bay Gie	12 September 2025
4.	Mr. Tan Chee Wan	Independent Non-Executive Director	03 November 2025
5.	Datuk Dr. Yacob Bin Mustafa	Independent Non-Executive Director	16 January 2026
6.	Mr. Yeo Tek Ling	Independent Non-Executive Director	13 August 2025
7.	Mr. Yeo Tek Ling	Redesignated as Managing Director / Chief Executive Officer	28 October 2025

All Directors have completed the Mandatory Accreditation Programme and continue to participate in relevant training programmes to stay abreast of developments in governance and regulatory requirements.

Practice 5.8 — Nomination Committee

The Nomination Committee comprises exclusively Independent Non-Executive Directors:

Role	Director
Chairperson	Datin Norizan Binti Idris (Independent Non-Executive Director)
Member	Mr. Ho Soo Woon (Independent Non-Executive Director)
Member	Mr. Christopher Lawrence Bachran (Independent Non-Executive Director) (*)

Note: (*) Mr. Christopher Lawrence Bachran resigned as a Member of NC w.e.f. 24 April 2026.

Meetings Held During the Financial Year:

Director	Meetings Attended
Datin Norizan Binti Idris (Chairperson)	6/6
Mr. Ho Soo Woon	6/6
Mr. Christopher Lawrence Bachran	5/5 (*)

Note: (*) Mr. Christopher Lawrence Bachran resigned as a Member of NC w.e.f. 24 April 2026.

Key Activities Undertaken:

No.	Activity
1.	Nominated new nominees for appointments to the Board and Board Committees.
2.	Assessed the performance of the Board, Board Committees, and individual Directors.
3.	Annually reviewed the required mix of skills, experience, and core competencies.
4.	Reviewed the size of the Board against the size of the Group and the complexity of the business.
5.	Reviewed and recommended the re-election of retiring Directors.
6.	Reviewed the performance of Key Senior Management positions.
7.	Reviewed and recommended the appointment of Mr. Yeo Tek Ling as Independent Non-Executive Director on 13 August 2025, and subsequently his redesignation as Managing Director / Chief Executive Officer on 28 October 2025.

Practice 5.9 & 5.10 — Gender Diversity

The Board acknowledges the importance of gender diversity as a key element of an effective Board. As at the date of this report, the Board comprises two (2) woman Directors.

While the Board does not currently have a formal gender diversity policy, it is supportive of the MCCG's recommendation and will continue to consider suitable and qualified female candidates for future Board appointments. The Board remains committed to ensuring that its composition reflects diversity in skills, experience, and perspectives.

Practice 6.1 — Evaluation of Board, Committees, and Individual Directors

The Board's performance evaluation is conducted annually through a structured process. Each Director completes a detailed questionnaire covering:

No.	Assessment Area
1.	Contribution to Board interactions and discussions.
2.	Quality and relevance of input provided.
3.	Understanding of role and responsibilities.
4.	Personal development and training needs.

The assessment is internally facilitated, with results compiled, documented, and reported to the Board. The Board is committed to continuous improvement and uses the findings to identify areas for enhancement.

III. Remuneration

Practice 7.1 — Remuneration Policy

The Board, upon the recommendation of the Remuneration Committee, determines the remuneration of Directors and Key Senior Management. The overriding principle is to ensure that remuneration packages are competitive, fair, and aligned with the Group's performance and long-term objectives.

Category	Approach
Managing Director / Chief Executive Officer	Remuneration is determined based on performance, profitability, and market benchmarks.
Non-Executive Directors	Remuneration reflects market rates, adjusted for experience and responsibilities undertaken.
Board Committees	Additional fees are payable to Committee Chairmen, reflecting their increased responsibilities.

Directors' fees are subject to shareholders' approval at the Annual General Meeting.

Practice 7.2 — Remuneration Committee

The Remuneration Committee comprises exclusively Independent Non-Executive Directors:

Role	Director
Chairman	Mr. Ho Soo Woon (Independent Non-Executive Director)
Member	Datin Norizan Binti Idris (Independent Non-Executive Director)
Member	Mr. Christopher Lawrence Bachran (Independent Non-Executive Director) (*)

Note: (*) Mr. Christopher Lawrence Bachran resigned as a Member of RC w.e.f. 24 April 2026.

Meetings Held During the Financial Year:

Director	Meetings Attended
Mr. Ho Soo Woon (Chairman)	4/4
Datin Norizan Binti Idris	4/4
Mr. Christopher Lawrence Bachran	3/3 (*)

Note: (*) Mr. Christopher Lawrence Bachran resigned as a Member of RC w.e.f. 24 April 2026.

Key Activities Undertaken:

No.	Activity
1.	Reviewed and recommended Directors' fees and meeting allowances.
2.	Reviewed and recommended remuneration for Board Committee Chairmen.
3.	Assessed Directors' fees and benefits for the financial year ended 2026.
4.	Reviewed Key Senior Management remuneration and performance.
5.	Reviewed and recommended the remuneration package for Mr. Yeo Tek Ling upon his appointment as Independent Non-Executive Director on 13 August 2025, and subsequently upon his redesignation as Managing Director / Chief Executive Officer on 28 October 2025.

Practice 8.1 & 8.2 — Disclosure of Remuneration of Directors

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

	Fees (RM'000)	Salaries (RM'000)	Statutory Contributions (RM'000)	Other Emoluments (RM'000)	Total (RM'000)
Non-Executive Directors					
Datuk Lim Chai Hock (appointed on 12 September 2025)	28	-	-	-	28
Dato' Seri Jamil Bin Bidin	39	-	-	-	39
Datin Norizan Binti Idris	47	-	-	-	47
Mr. Ho Soo Woon	70	-	-	-	70
Mr. Yeo Tek Ling (appointed as Non-Executive Director on 13 August 2025)	6	-	-	-	6
Ms. Lim Bay Gie (appointed on 12 September 2025)	17	-	-	-	17
Mr. Tan Chee Wan (appointed on 3 November 2025)	12	-	-	-	12
Datuk Dr. Yacob Bin Mustafa (appointed on 16 January 2026)	6	-	-	-	6
Mr. Stephen Geh Sim Whye (Resigned on 20 May 2025)	4	-	-	-	4
Mr. Rungit Singh A/L Jaswant Singh (Resigned on 20 May 2025)	7	-	-	-	7
Mr. Li, Anwei (Appointed on 16 May 2025, resigned on 11 September 2025)	10	-	-	-	10
Mr. Christopher Lawrence Bachran (resigned on 24 April 2026)	30	-	-	-	30
Total for Non-Executive Directors	**276**	**-**	**-**	**-**	**276**

Executive Directors					
Mr. Fong Wai Leong (Retired on 11 September 2025)	-	240	29	11	280
Mr. Yeo Tek Ling (Redesignated as Executive Director on 28 October 2025)	-	154	6	2	162
Total for Executive Directors	**-**	**394**	**35**	**13**	**442**

Training Programmes Attended by Directors

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

Name	Date	Programme
Datuk Lim Chai Hock	8 & 9 December 2025	Malaysia Mandatory Accreditation Programme (MAP) Part I
Ms. Lim Bay Gie	28 & 29 January 2026	Malaysia Mandatory Accreditation Programme (MAP) Part I
	24 & 25 June 2026	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Dato' Seri Jamil Bin Bidin	27 & 28 August 2025	Malaysia Mandatory Accreditation Programme (MAP) Part I
Datin Norizan Binti Idris	14 October 2025	New Turning Point To Corporate Liability Under Section 17A Of The MACC Act, Tenaga Nasional
	14 October 2025	The Evolving Corporate Governance Landscape In Malaysia: Impact Of The Updated MCCG 2021, Tenaga Nasional
Mr. Tan Chee Wan	28 & 29 January 2026	Malaysia Mandatory Accreditation Programme (MAP) Part I
	24 & 25 June 2026	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Mr. Yeo Tek Ling	12 & 13 November 2025	Malaysia Mandatory Accreditation Programme (MAP) Part I
	24 & 25 June 2026	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Mr. Ho Soo Woon	03 October 2025	Corporate Training on Environmental, Social, and Governance (ESG) Overview and Workshop Series
Mr. Lee En Dian	8 & 9 December 2025	Malaysia Mandatory Accreditation Programme (MAP) Part I

PRINCIPLE B — EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit Committee

Practice 9.1, Step Up 9.4 & 8.5 — Audit Committee

The Audit Committee ("AC") comprises the following members:

Role	Director
Chairman	Mr. Ho Soo Woon (Independent Non-Executive Director)
Member	Datin Norizan Binti Idris (Independent Non-Executive Director)
Member	Mr. Tan Chee Wan (Independent Non-Executive Director)
Member	Mr. Christopher Lawrence Bachran (*)

Note: (*) Mr. Christopher Lawrence Bachran resigned as a Member of AC w.e.f. 24 April 2026.

Note: The Audit Committee Chairman is not the Chairman of the Board, ensuring independence and objectivity.

The Audit Committee Report is set out separately in this Annual Report. The Committee's Terms of Reference are available on the Company's website at www.avillionberhad.com.

Practice 9.2 & 9.3 — Oversight of External Auditors

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

The Group engaged the external auditors to perform non-audit services, including the review of the Statement on Risk Management and Internal Control. The Board, through its Audit Committee, maintains a formal and transparent relationship with its external auditors.

Audit Committee Responsibilities:

- Make recommendations on the appointment, re-appointment, or removal of external auditors.
- Assess the performance, effectiveness, and independence of external auditors annually.
- Ensure that the external auditors work closely with Internal Auditors to enhance the effectiveness of the overall audit process.

Private Meetings: Private meetings between the Audit Committee and External Auditors were held once during the financial year without the presence of Management and Executive Directors.

II. Risk Management and Internal Control Framework

Practice 10.1 & 10.2 — Board Responsibility for Risk Management and Internal Control

The Board is responsible for ensuring that the Group's risk management and internal control systems are robust, effective, and aligned with its strategic objectives. The Group adopts a structured approach to risk management, encompassing the identification, assessment, monitoring, and mitigation of key risks.

The Statement on Risk Management and Internal Control, prepared in accordance with Paragraph 15.26(b) of the MMLR, is set out separately in this Annual Report.

Practice 11.1 & 11.2 — Internal Audit Function

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

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

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

Internal Audit Costs:

	FY2026	FY2025
Internal Audit Cost	RM230,000	RM270,000

During the financial year ended 31 March 2026, the total cost incurred for the Group's internal audit function amounted to approximately RM230,000, compared to RM270,000 in the preceding financial year. The reduction in cost reflects the Group's ongoing efforts to optimise internal audit resources while maintaining effective coverage of key risk areas.

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

I. Communication with Stakeholders

Practice 12.1 — Communication with Stakeholders

The Company is committed to providing timely, accurate, and complete information to its shareholders, stakeholders, and the investing public. The Company employs multiple communication channels to ensure transparency and foster investor confidence.

Communication Channel	Purpose
Annual Report	Comprehensive disclosure of financial performance, governance, and sustainability.
Quarterly Announcements	Timely release of financial results via Bursa Malaysia.
Company Website	Repository of annual reports, announcements, and corporate information.
Investor Relations	Dedicated contact for addressing shareholder and investor enquiries.

II. Conduct of General Meetings

Practice 13.1 — Notice of General Meetings

Notices of General Meetings, together with the Annual Report and/or Circular to Shareholders, are dispatched to shareholders within the prescribed notice period, allowing sufficient time for review and preparation.

Practice 13.2 — Attendance of Directors at General Meetings

The Annual General Meeting serves as the primary forum for shareholder engagement. All Directors and Committee Chairmen are expected to attend and address shareholders' queries.

Practice 13.3 & 13.4 & 13.5 — Voting & Conduct of General Meetings

The Company will be conducting its upcoming AGM at a physical venue with electronic voting facilities. Shareholders are entitled to appoint corporate representatives or proxies to participate and vote on their behalf.

The Company had appointed ShareWorks Sdn. Bhd. as the Poll Administrator to conduct the poll and to provide virtual meeting facilities for the 33rd AGM held on 11 September 2025.

Practice 13.6 — Minutes of General Meetings

The minutes of the 33rd AGM were made available to shareholders on the Company's website. The Company will upload the minutes of the upcoming 34th AGM no later than 30 business days after the AGM on its website at www.avillionberhad.com.

ADDITIONAL COMPLIANCE INFORMATION

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

1. Utilisation of Proceeds Raised from Corporate Proposals

On 16 May 2025, the Company announced the proposed listing and quotation of up to 283,322,100 Placement Shares at an issue price to be determined and fixed by the Board and announced at a later date.

Event	Date
Listing application submitted to Bursa Securities	26 May 2025
Approval obtained from Bursa Securities	8 July 2025
Shareholders' approval obtained at Extraordinary General Meeting	29 July 2025
Issuance and allotment of 283,000,000 new ordinary shares at RM0.04 per share	8 August 2025

The Company successfully raised gross proceeds of RM11,320,000 from the private placement.

Status of Utilisation of Proceeds as at 31 March 2026:

Details of Utilisation	Proceeds Raised (RM'000)	Amount Utilised (RM'000)	Amount Unutilised (RM'000)	Intended Timeframe for Utilisation
Refurbishment and maintenance of hotel	4,000	688	3,312	Within 24 months
Repayment of bank borrowings	3,000	3,000	-	Within 12 months
Working capital requirements	3,820	3,820	-	Within 12 months
Estimated expenses	500	372	128	Within 1 month
Total	**11,320**	**7,880**	**3,440**	

The utilisation of proceeds is in accordance with the intended purposes and timeframes as disclosed in the Circular to Shareholders dated 14 July 2025.

2. Audit and Non-Audit Fees

During the financial year ended 31 March 2026, the amounts of audit and non-audit fees paid/payable by the Group and the Company to the external auditors are as follows:

	Group RM'000	Company RM'000
Auditors' remuneration:		
statutory audit:		
Baker Tilly Monteiro Heng PLT	331	100
Other auditors	82	-
non-statutory audit:		
Baker Tilly Monteiro Heng PLT	8	6

3. Material Contracts with Related Parties

There were no material contracts entered into by the Company or its subsidiaries involving Directors, the Chief Executive Officer, or major shareholders that subsisted at the end of the financial year or were entered into since the previous financial year.

4. Conflict of Interest

The Audit Committee reviewed and monitored all conflicts of interest and potential conflict of interest situations within the Company from time to time to ensure that they are identified and managed effectively, in compliance with the Bursa Securities Listing Requirements.

STATEMENT OF COMPLIANCE WITH THE CODE

The Board is satisfied that the Group has substantially complied with the majority of the practices set out in the Malaysian Code on Corporate Governance throughout the financial year ended 31 March 2026.

The Board remains committed to strengthening its governance framework and will continue to enhance the application of best practices to safeguard the interests of shareholders and other stakeholders.

This Statement was approved by the Board of Directors on 30 July 2026.

AVILLION
BERHAD

AUDIT COMMITTEE REPORT

The Board of Directors is pleased to present the Audit Committee Report for the financial year ended 31 March 2026.

1. COMPOSITION

The Audit Committee ("AC") was appointed by the Board of Directors ("the Board") and comprises the following members, all of whom are Independent NonExecutive Directors:

Chairman	Mr. Ho Soo Woon *Independent Non-Executive Director*
Members	Mr. Tan Chee Wan *Independent Non-Executive Director*
	Datin Norizan Binti Idris *Independent Non-Executive Director*
	Mr. Christopher Lawrence Bachran *Independent Non-Executive Director (*)*
	Mr. Yeo Tek Ling *Independent Non-Executive Director (*)*

Note: (*)
Mr. Christopher Lawrence Bachran resigned as a Member of AC w.e.f. 24 April 2026.
Mr. Yeo Tek Ling resigned as a Member of AC w.e.f. 28 October 2025.

The composition of the Committee is in full compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

2. TERMS OF REFERENCE

The Terms of Reference of the Audit Committee are available on the corporate website at www.avillionberhad.com. The Committee reviews its Terms of Reference periodically to ensure they remain relevant and aligned with regulatory requirements and best practices.

3. AUDIT COMMITTEE MEETINGS

During the financial year ended 31 March 2026, the Audit Committee held five (5) meetings. The details of attendance of each Committee member are as follows:

Member	*Designation*	*No. of Meetings Attended*
Mr. Ho Soo Woon	Chairman	5/5
Mr. Tan Chee Wan	Committee Member	4/4
Datin Norizan Binti Idris	Committee Member	4/5
Mr. Christopher Lawrence Bachran	Committee Member	2/3
Mr. Yeo Tek Ling	Committee Member	1/1

4. SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

During the financial year, the Committee carried out its duties in accordance with its Terms of Reference. The key activities undertaken included the following:

(a) Financial Reporting

- Reviewed the Group's annual budget and business strategies before recommending them to the Board for approval.
- Reviewed the quarterly and annual financial statements, significant variances against the budget, and draft announcements to Bursa Malaysia with Management and the External Auditors before recommending them to the Board for approval.
- Deliberated on the adequacy of key disclosures in the financial statements, ensuring conformity with applicable accounting standards, legal requirements, and regulatory provisions.
- Assessed the Group's ability to meet its contractual and financial commitments and reviewed the precautionary and corrective measures initiated by Management.

(b) External Audit

- Reviewed and approved the External Auditors' annual audit planning memorandum, which outlined the engagement team, audit approach, scope of work, and significant accounting and auditing matters affecting financial reporting.
- Reviewed the audit conclusions, key matters arising, and Management's responses thereto.
- Discussed with the External Auditors the impact of significant accounting and auditing updates, including new or proposed changes in accounting standards and regulatory requirements.
- Conducted private sessions with the External Auditors, when required, without the presence of Management to ensure any contentious or sensitive issues were raised for the Committee's attention.
- Evaluated the suitability, performance, independence, and objectivity of the External Auditors and recommended their reappointment and proposed audit fees to the Board for approval.

(c) Internal Audit

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

(d) Related Party Transactions

- Reviewed any related party transactions and conflict of interest situations that may arise within the Group to ensure they were conducted on arm's length terms and in the best interes*t of the Group and its shareholders.*

(e) Annual Report

- Reviewed and recommended the reports and statements in the Annual Report 2026 for the Board's approval.

5. SUMMARY OF ACTIVITIES OF THE INTERNAL AUDIT FUNCTION

The Internal Audit function reports directly to the Audit Committee. Its principal role is to undertake periodic reviews on the state of the risk management and internal control systems of the Group's key business and support divisions. The primary objective of these reviews is to provide reasonable assurance to the Audit Committee that the systems continue to operate satisfactorily and effectively and that there is compliance with applicable regulations, policies, and procedures.

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

Activities Carried Out During the Financial Year

For the financial year ended 31 March 2026, the Internal Audit activities carried out included the following:

- Tabled the annual Internal Audit Plan to the Audit Committee for deliberation and approval. The Audit Plan took into consideration key risks impacting the Group and feedback from Management on key areas of concern.

- Conducted scheduled audit engagements and walkthrough processes of the Group's business and support divisions, focusing primarily on key business processes, prevailing support systems, internal controls, governance processes, safeguarding of assets, operational efficiency and effectiveness, and conformity with policies, procedures, and relevant laws and regulations.

- Performed followup reviews on the implementation of agreed remedial actions as reported in previous audit reports and findings to ensure they had been promptly and adequately addressed.

- Assessed the adequacy and effectiveness of the Group's risk management and internal control systems in identifying, evaluating, managing, and monitoring key potential risks.

- Presented audit reports to the Audit Committee and Management which highlighted key concerns, root causes, potential risk implications, audit recommendations, Management's comments with proposed corrective actions, and implementation datelines. The audit recommendations took into consideration the Group's strategic directions, corporate and business objectives, and key risks within its diversified and fluid business environment.

- Followed up on adhoc requests and recommendations of both the Audit Committee and Management on the audit plan, scope, and reports.

To maintain its independence and objectivity during the audit, the Internal Audit function does not assume any authority, responsibility, or accountability over any aspects of the business and support divisions reviewed.

6. INTERNAL AUDIT COST

For the financial year under review, the total cost incurred in relation to the internal audit function amounted to approximately RM230,000 (2025: RM270,000).

7. CONCLUSION

The Audit Committee is satisfied that it has discharged its responsibilities and duties in accordance with its Terms of Reference and the applicable provisions of the Main Market Listing Requirements of Bursa Malaysia and the Malaysian Code on Corporate Governance. The Committee continues to exercise due care and diligence in safeguarding the interests of the Group and its shareholders.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

1. INTRODUCTION

The Board of Directors ("the Board") of Avillion Berhad is pleased to present the Statement on Risk Management and Internal Control ("the Statement"), which outlines the nature and scope of the Group's risk management and internal control systems for the financial year ended 31 March 2026.

This Statement has been prepared in accordance with Paragraph 15.26(b) and Practice Note 9 of the Bursa Malaysia Main Market Listing Requirements, Part II of Principle B of the Malaysian Code on Corporate Governance ("MCCG") and the SORMIC Guide 2025: Guidelines for Directors of Listed Companies issued by the Institute of Internal Auditors Malaysia ("IIAM").

The SORMIC Guide 2025 marks the first major update since 2012 and aligns with international best practices, as set by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), the International Organization for Standardization (ISO) and The Institute of Internal Auditors (IIA).

2. BOARD'S RESPONSIBILITY

The Board affirms its ultimate responsibility for establishing, maintaining and reviewing the adequacy and effectiveness of the Group's risk management and internal control systems. The Board acts as the active risk steward, ensuring that these systems support the achievement of strategic objectives while safeguarding shareholders' interests, customers, employees and the Group's assets.

The Board has established an ongoing process for identifying, evaluating and managing the Group's material risks, including emerging risks such as climate change and cybersecurity. In discharging its responsibilities:

1. The Board sets clear roles and delegated authority, defining the Group's risk appetite and tolerance levels.
2. The Board has delegated oversight of risk management and internal control systems to its Audit Committee.
3. The Board regularly reviews the results of risk assessments, including mitigating measures taken by Management to address key risks.

2.1 Review Process by Board Committees

The Board, through its Committees, has established a structured and rigorous process to review the adequacy and effectiveness of the Group's risk management and internal control systems, and to address any significant failings or weaknesses identified.

The key elements of the review process are as follows:

No.	Review Process	Description
1.	**Regular Committee Meetings**	The Audit Committee meets at least quarterly, or more frequently as required, to review reports from Management, Internal Audit and External Auditors on the status of internal controls, risk management activities and any significant control issues or deficiencies identified.

No.	Review Process	Description
2.	**Review of Internal Audit Findings**	The Audit Committee reviews all internal audit reports, including audit findings, recommendations, risk implications and Management's proposed action plans. Significant findings are escalated to the Board for deliberation and decision-making.
3.	**Assessment of Risk Register**	The Board and Audit Committee periodically review the Group's risk register to ensure that all material and emerging risks are identified, assessed and adequately mitigated. This includes a review of risk ratings, control effectiveness and any changes in the risk profile of the Group.
4.	**Management Action Plans**	Management is required to prepare and implement action plans to address all identified control weaknesses and deficiencies. Progress on these action plans is monitored and reported to the Audit Committee on a regular basis until all issues are satisfactorily resolved.
5.	**Follow-Up Audits**	The Internal Audit Department conducts follow-up audits to verify that Management has implemented the agreed corrective actions within the stipulated timelines. The results of these follow-up audits are reported to the Audit Committee.
6.	**External Auditor's Input**	The External Auditors provide independent observations on the Group's internal control environment, including any material weaknesses or significant deficiencies noted during the statutory audit. These observations are deliberated by the Audit Committee and the Board, and appropriate remedial actions are taken.
7.	**Annual Assessment**	The Audit Committee conducts an annual assessment of the adequacy and effectiveness of the Group's risk management and internal control systems, taking into account the reports and assurances received from Management, Internal Audit and External Auditors.

2.2 Remedial Actions for Identified Failings or Weaknesses

The Board affirms that, where any significant failings or weaknesses in the risk management and internal control systems have been identified, appropriate and timely remedial actions have been taken to address such issues.

The remedial process includes:

No.	Remedial Action	Description
1.	**Immediate Corrective Measures**	Where urgent or high-risk issues are identified, Management is required to implement immediate corrective measures to mitigate potential adverse impacts on the Group's operations, financial position, or reputation.
2.	**System Enhancements**	Where systemic weaknesses are identified, the Group undertakes enhancements to its internal control processes, policies, and procedures to prevent recurrence of similar issues.
3.	**Training and Awareness**	Where weaknesses arise from a lack of awareness or understanding of policies and procedures, the Group provides targeted training and capacity-building programmes to relevant employees.
4.	**Monitoring and Reporting**	All remedial actions are subject to ongoing monitoring by Management and periodic reporting to the Audit Committee until the identified issues are fully resolved. The Audit Committee reviews the status of outstanding issues at each meeting to ensure timely closure.
5.	**Board Oversight**	Significant issues and the corresponding remedial actions are escalated to the Board for oversight, ensuring that appropriate resources and attention are directed towards resolving critical control deficiencies.

The Board confirms that, during the financial year under review and up to the date of approval of this Statement, all significant failings or weaknesses identified have been appropriately addressed, and the necessary remedial actions have been taken to strengthen the Group's risk management and internal control environment.

The Board acknowledges that risk management and internal control systems have inherent limitations. These systems are designed to manage risks within tolerance levels, not to eliminate them entirely. Accordingly, these systems provide reasonable, but not absolute, assurance against material misstatement, financial losses, fraud and breaches of laws or regulations.

3. RISK MANAGEMENT SYSTEM

The Board recognises that effective risk management is integral to business management. Risk management is embedded into objective setting, organisational culture, performance optimisation, decision-making and long-term value creation.

3.1 Risk Management Framework

The Group is currently formalising an Enterprise Risk Management ("ERM") framework, which applies to all subsidiaries and clearly defines risk management ownership. The framework is inline with the ISO 31000 International Risk Management Standards and incorporates the following key elements:

Element	Description
Strategy & Policy	Establish risk management strategy and policy across all business segments
Governance	Define risk organisation structure, roles, and responsibilities
Process	Set processes for risk identification, evaluation, mitigating controls, monitoring and reporting
Risk Appetite	Align the Group's risk appetite and parameters (qualitative and quantitative)
Resources	Ensure appropriate skills, resources and system infrastructure
Culture	Promote strong risk management culture, practices and processes

3.2 Three Lines Model

The Group adopts the "Three Lines Model" as its risk governance structure, which provides a formal and transparent framework for risk oversight:

Line	Responsibility
First Line — Business Operations	Heads of business and support divisions are responsible for integrating risk management into core business activities. They assess risks based on likelihood and impact and devise controls to manage risks within acceptable tolerance levels.
Second Line — Oversight Functions	Independent monitoring functions ensure the Group conducts business within internal guidelines and comply with regulatory requirements.
Third Line — Internal Audit	The Internal Audit function provides independent and objective assurance to the Board on the adequacy and effectiveness of internal controls, risk management and governance processes.

3.3 Risk Identification, Monitoring & Reporting

The Group maintains a register of key risks together with corresponding mitigating activities and risk ratings. Throughout the financial year, the main risk management activities included:

1. **Risk Assessment**: Management identifies and evaluates key risks based on likelihood of occurrence and potential risk implications.

2. **Scenario Analysis**: The Group embeds scenario planning and assessment of emerging risks, including climate-related risks, into board risk oversight processes.

3. **Regular Reporting**: Risk reports summarising the Group's top risks, action plans, and key risk indicators are presented to the Board on a regular basis.

4. **Board Meetings**: Meetings with Management are conducted at least quarterly, or as and when required, to discuss strategic, financial, operational and other agenda.

4. INTERNAL CONTROL SYSTEM

The internal control system comprises financial, operational and compliance controls to manage and mitigate identified principal risks.

4.1 Control Environment

The control environment sets the tone of the Group's overall control awareness and approach.

No.	Feature
1.	The Group's vision, mission and strategic direction are communicated top-down to all employees to reinforce core values of commitment, integrity, speed and cost effectiveness.
2.	Board Committees — namely the Audit Committee, Nomination Committee and Remuneration Committee — have been established to assist the Board in executing its governance responsibilities and oversight functions. These committees operate under defined terms of reference and authority.
3.	A formalised organisation structure with defined lines of reporting, levels of authority, responsibility, and accountability is in place. This ensures appropriate segregation of duties and effective stewardship, with periodic reviews to prevent conflicts of interest, human errors, and abuses.

4.2 Control Activities

Control activities are the policies and procedures that help ensure management directives are carried out.

No.	Feature
1.	Established policies and procedures provide guidance for managing operational and business activities. Processes for assessing and approving capital/investment expenditure, asset disposal, investment funding and authorisation limits are periodically reviewed and updated in line with changes in business strategy and environment.
2.	Business and support divisions prepare annual business plans, financial and operating budgets for review by Management and approval by the Board. Variances between budgeted and actual results are reviewed as part of performance management to formulate remedial and mitigation plans.
3.	Employee recruitment, performance evaluation, training and development programmes are periodically reviewed to sustain a competent workforce and ensure business continuity. All employees are contractually bound to observe prescribed standards of business ethics.
4.	The Anti-Bribery and Corruption Policy and Whistleblowing Policy provide clarity, protection and confidentiality to whistleblowers. These policies, published on the Company's website, reaffirm the Group's commitment to conducting business with integrity, transparency and in compliance with applicable laws and regulations.

4.3 Information and Communication Processes

Information and communication systems ensure that relevant information is identified, captured and communicated in a form and timeframe that enables people to carry out their responsibilities.

No.	Feature
1.	Scheduled Board and Management meetings are conducted at least quarterlyor on an ad hoc basis when required, to provide a forum for timely and transparent dialogue. Management updates the Board on significant changes in the external business environment.
2.	Financial, management, and other relevant reports are generated on a regular and consistent basis, enabling Management to perform financial and operational reviews for timely decision-making.
3.	These reports facilitate the Board and Management in assessing whether financial and operational results align with the Group's business objectives and goals.

4.4 Planning, Monitoring and Reporting Activities

Monitoring activities assess the quality of the Group's internal control performance over time.

No.	Feature
1.	The Board oversees business performance by reviewing regular, comprehensive, and up-to-date information from Management on finance, operations and market conditions. Action plans are formulated and finetuned to address key risk concerns.
2.	Based on the risk-based annual Internal Audit Plan approved by the Audit Committee, the Internal Audit function carries out scheduled and follow-up audits. Key audit matters, risk implications, recommendations and management's action plans are reported to the Audit Committee and Management, providing independent and balanced assurance on the adequacy and effectiveness of the risk management and internal control environment.
3.	Group policies and procedures are subject to periodic review and update by Management and operational divisions to factor in changes in business, operational, statutory and regulatory requirements.

5. SUSTAINABILITY-RELATED RISKS

In line with the expanded scope of the SORMIC Guide 2025, the Board has broadened its risk oversight to encompass emerging Environmental, Social and Governance ("ESG") and climate-related risks alongside traditional financial, operational and compliance risks.

The Group has integrated processes for identifying, assessing, and managing climate-related risks and opportunities into its overall risk management framework. This includes:

No.	Feature
1.	**Climate Risk Assessment**: The Group evaluates the potential implications of transition and physical risks on its strategy, operations and financial performance.
2.	**Scenario Analysis**: The Group conducts scenario planning to assess the impact of climate-related risks.
3.	**Sustainability Reporting**: The Group's Sustainability Statement, prepared in accordance with the National Sustainability Reporting Framework ("NSRF") aligned with IFRS S1 and IFRS S2, provides further details on the governance, strategy and management of sustainability-related risks and opportunities.

5.1 NSRF Compliance Roadmap

In accordance with the phased implementation approach under the NSRF, the Group is classified under Group 2 (Main Market listed issuers with market capitalisation below RM2 billion). Accordingly, compliance with the IFRS Sustainability Disclosure Standards (IFRS S1 and IFRS S2) will take effect for the financial year ending 31 March 2027, being the first annual reporting period beginning on or after 1 January 2026.

In preparation for the inaugural NSRF-compliant Sustainability Statement for the financial year 2027, the Group has embarked on the following preparatory initiatives:

No.	Initiative
1.	**Capacity Building**: Training and upskilling of internal teams on sustainability reporting requirements, data collection, and disclosure processes.
2.	**Data Systems Enhancement**: Strengthening data governance and information systems to capture, manage, and report sustainability-related metrics in accordance with IFRS standards.
3.	**Gap Analysis**: Conducting assessments of current sustainability disclosures against the requirements of IFRS S1 and IFRS S2 to identify and address gaps.
4.	**Internal Controls**: Embedding sustainability-related risks and controls into the Group's existing risk management and internal control systems.

5.2 Transitional Reliefs

For the initial reporting year (FY2027), the Group intends to apply the Additional Transitional Reliefs available under the NSRF, which include:

No.	Relief	Description
1.	**Climate-Only Disclosure**	The Group will focus on disclosing information on climate-related risks and opportunities in accordance with IFRS S2, rather than the full scope of IFRS S1, for the first two years of application.
2.	**Principal Segments Focus**	Climate-related disclosures will initially be limited to the Group's principal business segments.
3.	**Deferral of Scope 3 Emissions**	The Group will defer the disclosure of Scope 3 greenhouse gas (GHG) emissions, subject to any future regulatory requirements.

The Group is committed to progressing towards full compliance with IFRS S1 and IFRS S2 over the transitional period. The Board and Management will continue to monitor developments in sustainability reporting requirements and adjust the Group's approach accordingly to ensure timely and transparent disclosure to stakeholders.

6. REVIEW BY INTERNAL AUDITOR

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

6.1 Internal Auditor's Profile and Independence

The Group's internal audit function is led by Mr. Tan Sio Hui, who serves as the Head of Internal Audit for the financial year ended 31 March 2026.

Mr. Tan is a Chartered Accountant with the Malaysian Institute of Accountants ("MIA") since May 2014. He has been an Associate Member of the Institute of Internal Auditors Malaysia ("IIAM") since February 2011 and subsequently a Professional Member post January 2022. Mr. Tan is also an ASEAN Chartered Professional Accountant ("ASEAN CPA") and a Member of the Institute of Public Accountants ("IPA"). He brings over 15 years' experience in internal auditing, treasury management, indirect tax and finance across hospitality, gaming and utilities sectors.

The current team member ("the team") is also active member of the Institute of Internal Auditors, hence discharging their duties with independence and objectivity in all aspects of his work. The team is and are free from any relationship or conflicts of interest that could impair, or could reasonably be perceived to impair, their independent judgment in carrying out the internal audit function. The team does not have any direct or indirect interest in the Group's business, operations, or financial affairs that would compromise his ability to provide unbiased and objective assurance to the Audit Committee and the Board.

The Internal Audit Department has direct and unrestricted access to the Audit Committee, ensuring that findings, recommendations, and concerns are communicated without undue influence or interference from Management. This reporting structure further safeguards the independence and effectiveness of the internal audit function.

7. REVIEW BY EXTERNAL AUDITORS

For the financial year ended 31 March 2026, the External Auditors performed a limited assurance engagement to report on this Statement for inclusion in the Annual Report. They reported to the Board that, to their best knowledge, nothing has come to their attention that causes them to believe that this Statement has not been prepared, in all material aspects, in accordance with the disclosure requirement set out in Section 7 of the Statement of Risk Management and Internal Control ("SORMIC") Guide 2025, nor that it was factually inaccurate.

In accordance with Malaysian Approved Standards on Assurance Engagements, ISAE 3000 (Revised) and AAPG 3, the engagement does not require the External Auditors to consider whether the Statement covers all risks and controls, or to form an opinion on the effectiveness of the Group's risk and control procedures.

8. CEO AND CFO ASSURANCES

The Board has received assurance from the Chief Executive Officer and Chief Financial Officer confirming that the Group's risk management and internal control systems are operating adequately and effectively in all material respects for the financial year ended 31 March 2026.

9. CONCLUSION

The Board confirms that the processes for identifying, evaluating and managing the Group's principal and emerging risks, as well as the system of internal control, were in place throughout the financial year under review and up to the date of approval of this Statement.

For the financial year under review and up to the date of approval of this Statement, based on reasonable assurances from the Chief Executive Officer, Chief Financial Officer and other relevant assurance providers, the Board is of the view that the prevailing risk management and internal control system is operating satisfactorily in all material aspects, with improvement opportunities identified.

The Board acknowledges that the risk management and internal control system must continuously evolve in tandem with changes and challenges in the external business environment. The Board and Management shall continue to review and implement appropriate measures to reinforce the Group's risk management and internal control environment.

This Statement was approved by the Board of Directors on 30 July 2026.

AVILLION
BERHAD

SUSTAINABILITY STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

ABOUT THIS STATEMENT

This Sustainability Statement has been prepared in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and guided by the Sustainability Reporting Guide (3rd Edition) .

Compliance with the IFRS Sustainability Disclosure Standards (IFRS S1 and IFRS S2) will be applicable to Avillion Berhad for the Annual Report FY2027, in accordance with the phased implementation approach under the National Sustainability Reporting Framework (NSRF). This statement serves as our continuing commitment towards full standards-aligned reporting in the upcoming financial year.

REPORTING SCOPE AND BASIS

Business divisions covered under this report are:

Division	Properties/Projects
Hotel	- Avillion Port Dickson, Negeri Sembilan - Avillion Admiral Cove, Port Dickson, Negeri Sembilan
Property	- Admiral Marina & Leisure Club - Desa Impian, Bandar Tenggara, Johor Darul Takzim
Travel	- Hong Kong business operations
Corporate	- Kuala Lumpur, Federal Territory

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

This statement refers to the financial period from 1 April 2025 to 31 March 2026.

All data collection in this statement has been verified by the respective management teams of the business divisions and reviewed by Management and approved by the Board of Directors.

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

SUSTAINABILITY GOVERNANCE STRUCTURE

Sustainability is a core value at Avillion Berhad ("Avillion"). The Board of Directors plays a crucial role in driving sustainability initiatives across the organisation. The Board acknowledges the need to balance business sustainability with responsible environmental and social considerations.

The Group's ultimate goal towards achieving its business objectives is to operate its businesses in an economically, environmentally and socially responsible manner with an effective governance structure and business ethics in the stakeholders' interests. Our stakeholders comprise shareholders, customers, employees, bankers, suppliers and contractors, government and regulatory authorities.

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

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

Board of Directors

Audit Committee
Remuneration Committee
Nomination Committee

Managing Director / Chief Executive Officer

Sustainability Working Committee
(To established in end FY 2027)

BOARD AND MANAGEMENT OVERSIGHT

Role	Responsibility
Board of Directors	Overall accountability for sustainability strategy, materiality assessment, and performance monitoring. Approves Sustainability Statement.
Audit Committee	Reviews internal controls and risk management related to sustainability reporting. Oversees assurance processes.
CEO & Management	Implements sustainability strategies, manages risks and opportunities, and ensures data accuracy.
Sustainability Working Committee (to be formed)	Dedicated oversight of ESG objectives, policies, and practices.

STAKEHOLDER ENGAGEMENT

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

The effectiveness of sustainability initiatives is dependent on whether the needs of diverse stakeholder groups can be assessed and successfully addressed. Therefore, ongoing engagement activities with stakeholders are carried out to understand their insights and address their concerns to reinforce sustainability measures.

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

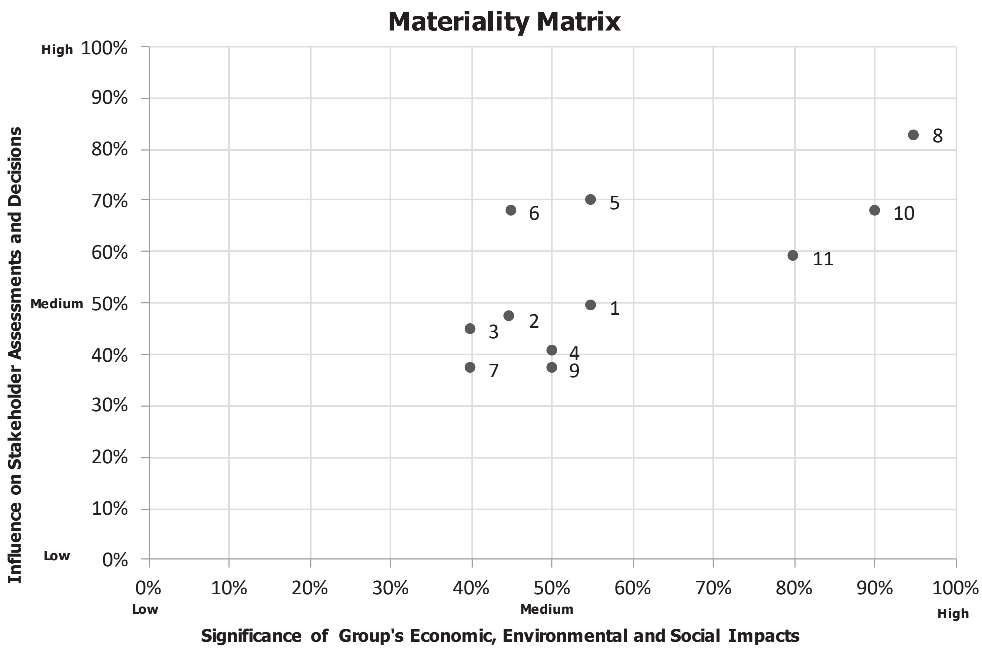
Stakeholder	Engagement Approach	Frequency	Stakeholder Expectations	Group's Responses / Initiatives
a) Shareholders & Investors	• Corporate website • Annual & quarterly reports • Corporate announcements • Annual General Meeting • Extraordinary General Meeting	• Quarterly • Annual • As required	• Financial performance & transparency • Business sustainability • Corporate governance • Market position & reputation	• Improve growth trajectory for sustainable returns • Adopt best practices in governance & social responsibility • Shareholder & investor engagement
b) Financiers	• Corporate website • Annual & quarterly reports • Corporate announcements • Institutional briefings & presentations	• Quarterly • Annual • As required	• Financial performance & transparency • Business sustainability • Corporate governance • Market position & reputation	• Business strategy management, risk assessment & responsible business practices
c) Customers	• Corporate website • Customer relationship management • Customer satisfaction surveys • Multiple channels (meetings, events, social media)	• Ongoing	• Product & service quality • Customer satisfaction • Effective complaint resolution • Safety, security & data protection	• Service excellence in guest experience • Events & competitions • Online/offline communication channels
d) Employees	• Annual performance reviews • Training needs analysis • Management meetings • Multiple channels (meetings, events, briefings, training, team building)	• Ongoing	• Financial performance & business direction • Remuneration & benefits • Training & career development • Occupational safety & security	• Performance•oriented appraisal culture • Staff training & development • Engagement & feedback sessions • Safe working environment
e) Suppliers / Contractors	• Corporate website • Supplier evaluation • Quotation requests • Tender/bidding • Multiple channels (site visits, meetings)	• Ongoing	• Ethical & efficient supplier management • Market position & reputation	• Responsible supplier management • Transparent procurement policies • Online/offline communication
f) Regulatory / Government Authorities	• Corporate website • Reporting • Multiple channels (consultations, meetings, seminars, forums)	• Periodically • As required	• Regulatory compliance • Support for government policies	• Annual Report • Compliance with regulatory requirements
g) Associations / Media / Local Communities	• Corporate website • Multiple channels (meetings, events, social media)	• Periodically • As required	• Community engagement & support • Social responsibility	• Association events & sponsorships • Social contribution & community service

ASSESSMENT OF MATERIAL SUSTAINABILITY MATTERS

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

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

The material sustainability matters were ranked based on the relative importance to the Group's business operation and to its stakeholders.



Material Sustainability Matters

Environmental	Social	Governance
(1) Energy Management (2) Water Management (3) Waste Management	(4) Diversity, Equality & Inclusion (5) Health and Safety (6) Labour Practices and Standards (7) Community Investment	(8) Economic Performance (9) Supply Chain Management (10) Business Integrity & Anti-Corruption (11) Data Privacy and Security

For each material matter, we have provided an explanation of why it is material, our management approach, policies and procedures, measures taken, and relevant performance indicators for the last 3 financial years.

ENVIRONMENTAL

ENERGY MANAGEMENT

Why material to us

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

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

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

Our approach

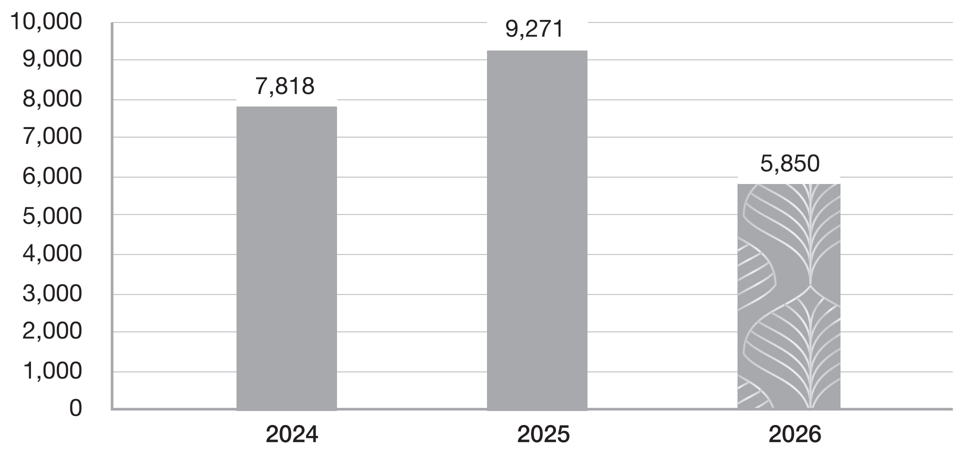
The majority of our energy consumption is from our hotels. For FY2025 and FY2026, electricity consumption rose due to revitalised business activities and increased occupancy in our hotels following promotions.

Despite this, we remain firmly committed to reducing our energy consumption and continually seeking ways to enhance efficiency. Measures taken include:

- Embarking on a programme to change all light bulbs used in our hotels and corporate office from regular light bulbs to energy-saving light bulbs.
- Changing workplace energy culture and encouraging employees to adopt sustainable practices and conserve electricity.
- Exploring renewable energy production for our properties for its suitability and feasibility.

Lower energy consumption equates to less energy and resources wasted in the day-to-day running of our hotels.

Total Energy Consumption (MW)



Note: Energy consumption data is based on electricity consumption from the two hotels and corporate office. The Group plans to develop energy intensity metrics in FY2027 to enable more meaningful performance tracking.

WATER MANAGEMENT

Why material to us

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

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

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

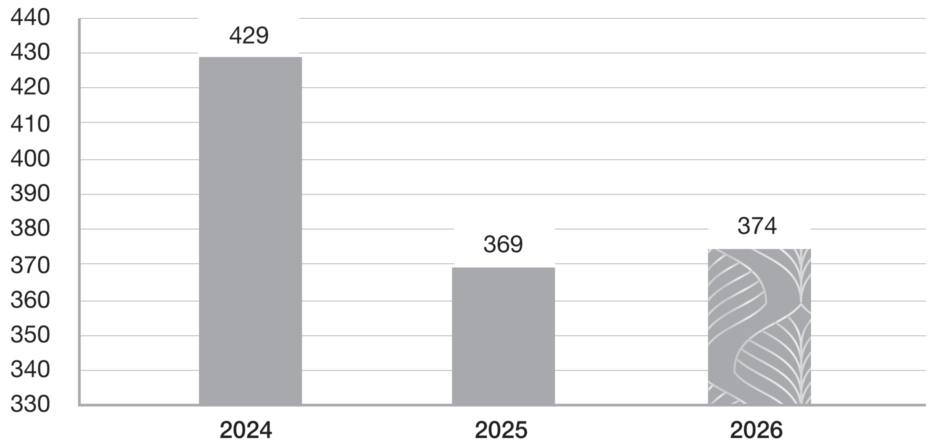
Our approach

The majority of our water consumption is from our hotels. Based on the trend, water consumption has been increased year by year in line with the company's effort for sustainability.

Our hotels have introduced various means to restrain water usage:

- Installation of water-saving flush systems and other water-saving devices.
- Encouraging guests to reuse towels and linen to reduce water consumption.
- Regular maintenance checks to prevent water leakages due to old age of pipes.

Total Water Consumption (ML)



WASTE MANAGEMENT

Why material to us

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

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

Our approach

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

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

We plan to conduct stricter monitoring and data collection of our waste management practices and outputs in FY2027. This will enable us to compile comprehensive data for reporting and to implement initiatives based on data obtained.

Note: The Group is establishing waste monitoring systems and expects to report comprehensive waste data from FY2027 onwards.

SOCIAL

DIVERSITY, EQUALITY AND INCLUSION

Why material to us

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

Our approach

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

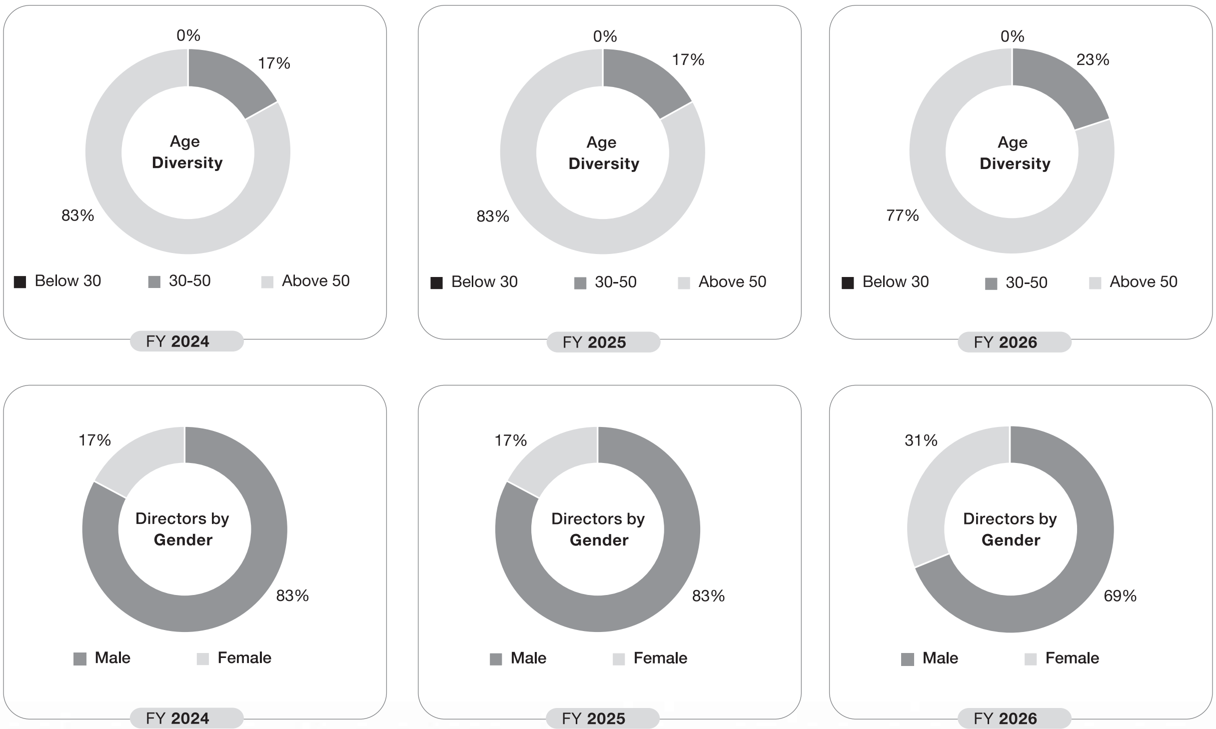
Our employees are hired based on merit and credibility. We do not condone any form of discrimination based on personal characteristics such as gender, race, religion, age, and marital status.

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

Employee Breakdown by Age and Gender

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

Director Breakdown by Age and Gender



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

HEALTH AND SAFETY

Why material to us

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

Our approach

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

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

We recognise the importance of a positive lifestyle, promoting sports and cultivating teamwork amongst employees through recreational events and sports activities.

Indicator	Measurement Unit	FY2024	FY2025	FY2026
Number of work-related fatalities	Number	0	0	0
Lost time incident rate ("LTIR")	Rate	0.67	N/A	N/A
Number of employees trained on health and safety standards	Number	58	81	64

LABOUR PRACTICES AND STANDARDS

Why material to us

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

Our approach

We organise a wide range of service and functional skills training activities for all grades of employees. Leadership development programmes are also offered at various levels, assisting staff to achieve growth within the organisation.

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

Our employees' benefits adhere to the Employment Act 1955 and extend beyond, including various allowances, medical coverage, and insurance benefits.

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

Indicator	Measurement Unit	FY2024	FY2025	FY2026
Total training hours by employee category				
Management	Hours	78	38	169
Executive	Hours	562	1,143	1,547
Non-Executive/Technical Staff	Hours	912	1,252	2,008
Staff turnover by employee category				
Management	Number	5	5	8
Executive	Number	30	21	23
Non-Executive/Technical Staff	Number	109	140	119
Percentage of employees that are contractors or temporary staff	Percentage	17%	12%	10%
Number of substantiated complaints concerning human rights violations	Number	0	0	0

Note on turnover decrease (FY2026): The Group has implemented enhanced retention strategies, including competitive remuneration reviews and career development programmes, to address the concern of higher turnover in FY2025.

COMMUNITY & SOCIETY

Why material to us

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

Our approach

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

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

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

Date	Activity
22 March 2025	Hosted a Majlis Berbuka Puasa bersama Rumah Yatim Rembau, Ampangan. Children were given duit raya and goodie bags.
18 December 2025	Visited the Pusat Kebajikan Semalaysia (Old Folks' Home) in collaboration with Christmas Festival.

Date	Activity
30 January 2026	Refurbishment and revitalisation of Spice Garden in Avillion Port Dickson under the Sustainable Development Goals.
20 February 2026	Organised 'Bubur Lambuk' event during Ramadhan month attended by Local Authorities. Distributed to nearby homes.
13 March 2026	Hosted a Majlis Berbuka Puasa with a local Orphanage Home.

Indicator	Measurement Unit	FY2024	FY2025	FY2026
Total amount invested in the community	MYR	6,000	0	6,752
Total number of beneficiaries	Number	125	0	573

Below are some of the CSR programmes organised by the Group:

18 December 2025
Pusat Kebajikan Semalaysia

30 January 2026
Spice Garden in Avillion Port Dickson

20 February 2026
'Bubur Lambuk' event

13 March 2026
Majlis Berbuka Puasa with a Orphanage Home

GOVERNANCE

ECONOMIC PERFORMANCE

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

During the financial year ended 31 March 2026, the Group achieved RM55 million in revenue. The Group's historical summary of financial performance is disclosed in the 5-Year Financial Highlights section of this Annual Report.

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

SUPPLY CHAIN MANAGEMENT

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

Throughout the financial year under review, our hotels supported local suppliers, with almost 100% of their total spending being on suppliers from within Malaysia.

ANTI-CORRUPTION AND WHISTLEBLOWING

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

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

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

DATA PRIVACY AND SECURITY

We are committed to safeguarding our guests' personal information and upholding individuals' right to privacy. Safeguarding personal data is crucial for ensuring compliance with all applicable laws and regulations, including the Personal Data Protection Act (PDPA) 2010.

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

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

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

IMPORTANT NOTICE REGARDING THE CSI PRESCRIBED TABLE PRESENTATION

Avillion Berhad has reproduced the following Sustainability Statement (Pages 64 to 68) exactly as generated by the Bursa Malaysia Centralised Sustainability Intelligence (CSI) platform, in strict compliance with the Main Market Listing Requirements (BMLR) Transition Period directives.

Stakeholders and readers are kindly advised that the visual strikethroughs and technical logs appearing on these tables (such as "*This row has been deleted*") are unalterable platform system artifacts. These indicators were generated automatically by the platform's layout engine following the company's manual deletion of duplicate system entries during data consolidation. The underlying data for all disclosed metrics—including Anti-corruption and Community/Society matters—is fully accurate, complete, and legally valid as presented in the finalized rows.

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
~~Anti-corruptio~~	~~Confirmed incidents of corruption and action taken~~	~~Number of incidents~~	~~0~~	~~0~~	~~External (Limited)~~	~~No assurance~~
Footnote Sustainability Matter	This row has been deleted.					
~~Community/Society~~	~~Total amount invested in the community where the target beneficiaries are external to the listed issuer~~	~~MYR~~	~~0~~	~~6752~~	~~Undertake at least one community engagement initiative annually~~	~~External (Limited)~~
Footnote Sustainability Matter	This row has been deleted.					
* Diversity	* Percentage of employees by gender and age group for each employee category	* Percentage	* Management - 58% Male and 42% Female Executive - 25% Male and 73% Female Non-executive - 30% Male and 70% Female Management age 20-50 62% and above 50 38% Executive age 20-50 100% Non-executive age 20-50 100%	* Management - 58% Male and 42% Female Executive - 25% Male and 73% Female Non-executive - 30% Male and 70% Female Management age 20-50 62% and above 50 38% Executive age 20-50 100% Non-executive age 20-50 100%	* Maintain at least 30% participation of women in leadership roles at the management level for FYE 2027	* External (Limited)
Footnote Sustainability Matter	This row has been added.					
Footnote Sustainability Matter	Diversity					
Footnote Metric	Percentage of employees by gender and age group for each employee category					
Footnote Measurement Unit	Percentage					
Footnote 2025	Management - 58% Male and 42% Female Executive - 25% Male and 73% Female Non-executive - 30% Male and 70% Female Management age 20-50 62% and above 50 38% Executive age 20-50 100% Non-executive age 20-50 100%					
Footnote 2026	Management - 58% Male and 42% Female Executive - 25% Male and 73% Female Non-executive - 30% Male and 70% Female Management age 20-50 62% and above 50 38% Executive age 20-50 100% Non-executive age 20-50 100%					

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Footnote Target	Maintain at least 30% participation of women in leadership roles at the management level for FYE 2027					
Footnote Assurance	External (Limited)					
Diversity	Percentage of directors by gender and age group	Percentage	83% is male and 17% is female Age 30-50 is 23% and age above 50 is 77%	69% is male and 31% is female Age 30-50 is 20% and age above 50 is 80%	-	External (Limited)
Footnote Sustainability Matter	This row has been added.					
Labour practices and standards	Total hours of training by employee category	Hours	Management - 38 hours Executive - 1,143 hours Non-executive - 1,252 hours	Management - 169 hours Executive - 1,547 hours Non-executive - 2,008 hours	At least 2 hours of essential role-specific training	External (Limited)
Footnote Sustainability Matter	This row has been added.					
Labour practices and standards	Percentage of employees that are contractors or temporary staff	Percentage	12%	10%	-	External (Limited)
Footnote Sustainability Matter	This row has been added.					
Labour practices and standards	Total number pf employee turnover by employee category	Number	Management - 5 Executive - 21 Non-executive - 140	* Management - 8 Executive - 23 Non-executive - 119	-	* External (Limited)
Footnote Sustainability Matter	This row has been added.					
Footnote 2026	Labour practices and standards					
Footnote Assurance	Management - 8 Executive - 23 Non-executive - 119					
Data privacy and security	Number of substantiated complains concerning breaches of customer privacy and losses of customer data	Number	0	0	Zero complaint	External (Limited)

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Footnote Sustainability Matter	This row has been added.					
Supply chain management	Proportion of spending on local suppliers	Percentage	100%	100%	-	External (Limited)
Footnote Sustainability Matter	This row has been added.					
Energy Management	The total energy consumption	Megawatt	9,271	5,850	-	External (Limited)
Footnote Sustainability Matter	This row has been added.					
Waste Management	Total volume of water used	Megalitres	369	374	-	External (Limited)
Footnote Sustainability Matter	This row has been added.					
Anti-corruption	Confirmed incidents of corruption and actions taken	Number of incidents	0	0	Zero confirmed incident of corruption	External (Limited)
Footnote Sustainability Matter	This row has been added.					
Community/Society	Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	0	6,752	Undertake at least one community engagement initiative annually	External (Limited)
Footnote Sustainability Matter	This row has been added.					

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
~~Anti-corruption~~	~~Confirmed incidents of corruption and action taken~~	~~Number of incidents~~	~~0~~	~~0~~	~~Zero confirmed incidents of corruption~~	~~External (Limited)~~
Footnote Sustainability Matter	This row has been deleted.					
~~Community/Society~~	~~Total amount invested in the community where the target beneficiaries are external to the listed issuer~~	~~MYR~~	~~0~~	~~6,752~~	~~Undertake at least one community engagement initiative annually~~	~~External (Limited)~~
Footnote Sustainability Matter	This row has been deleted.					
~~Diversity~~	~~Percentage of employees by gender and age group for each employee category~~	~~Percentage~~	~~Management - 58% Male and 42% Female~~ ~~Executive - 25% Male and 73% Female~~ ~~Non-executive - 30% Male and 70% Female~~ ~~Management age 20-50 62% and above 50 38%~~ ~~Executive age 20-50 100%~~ ~~Non-executive age 20-50 100%~~	~~Management - 58% Male and 42% Female~~ ~~Executive - 25% Male and 73% Female~~ ~~Non-executive - 30% Male and 70% Female~~ ~~Management age 20-50 62% and above 50 38%~~ ~~Executive age 20-50 100%~~ ~~Non-executive age 20-50 100%~~	~~Maintain at least 30% participation of women in leadership roles at the management level for FYE 2027~~	~~External (Limited)~~
Footnote Sustainability Matter	This row has been deleted.					
~~Diversity~~	~~Percentage of directors by gender and age group~~	~~Percentage~~	~~83% is male and 17% is female~~ ~~Age 30-50 is 23% and age above 50 is 77%~~	~~69% is male and 31% is female~~ ~~Age 30-50 is 20% and age above 50 is 80%~~	—	~~External (Limited)~~
Footnote Sustainability Matter	This row has been deleted.					
~~Labour practices and standards~~	~~Total hours of training by employee category~~	~~Hours~~	~~Management - 38 hours~~ ~~Executive - 1,143 hours~~ ~~Non-executive - 1,252 hours~~	~~Management - 169 hours~~ ~~Executive - 1,547 hours~~ ~~Non-executive - 2,008 hours~~	~~At least 2 hours of essential role-specific training~~	~~External (Limited)~~
Footnote Sustainability Matter	This row has been deleted.					

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
~~Anti-corruption~~	~~Confirmed incidents of corruption and action taken~~	~~Number of incidents~~	~~0~~	~~0~~	~~Zero confirmed incidents of corruption~~	~~External (Limited)~~
Footnote Sustainability Matter	This row has been deleted.					
~~Community/Society~~	~~Total amount invested in the community where the target beneficiaries are external to the listed issuer~~	~~MYR~~	~~0~~	~~6,752~~	~~Undertake at least one community engagement initiative annually~~	~~External (Limited)~~
Footnote Sustainability Matter	This row has been deleted.					
~~Diversity~~	~~Percentage of employees by gender and age group for each employee category~~	~~Percentage~~	~~Management - 58% Male and 42% Female~~ ~~Executive - 25% Male and 73% Female~~ ~~Non-executive - 30% Male and 70% Female~~ ~~Management age 20-50 62% and above 50 38%~~ ~~Executive age 20-50 100%~~ ~~Non-executive age 20-50 100%~~	~~Management - 58% Male and 42% Female~~ ~~Executive - 25% Male and 73% Female~~ ~~Non-executive - 30% Male and 70% Female~~ ~~Management age 20-50 62% and above 50 38%~~ ~~Executive age 20-50 100%~~ ~~Non-executive age 20-50 100%~~	~~Maintain at least 30% participation of women in leadership roles at the management level for FYE 2027~~	~~External (Limited)~~
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Footnote Sustainability Matter	This row has been deleted.					

CONCLUSION

The sustainability challenge for the Group is to ensure that sustainability activities remain undisrupted regardless of changes in the business operating environment and promote a harmonised way of working towards sustainable development.

Moving forward, the Group will continue to explore and implement sustainable business practices and processes, as appropriate, to safeguard shareholders' interests and deliver practical and tangible outcomes.

We remain committed to enhancing our sustainability reporting in line with the evolving regulatory landscape and international best practices. The Group is on track to comply with IFRS S1 and IFRS S2 for the Annual Report FY2027.

STATEMENT OF ASSURANCE

In accordance with Bursa Malaysia's Main Market Listing Requirements:

The Sustainability Statement has been subjected to internal review by the Group's Internal Audit function. The review covered the accuracy of reported data and consistency with the Group's policies and procedures.

Disclaimer: This Sustainability Statement has been prepared in good faith and is subject to the limitations of data collection and estimation methodologies. The Group will continue to refine its data collection and reporting processes in future reporting cycles.

STATEMENT OF
DIRECTORS' RESPONSIBILITY

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

The Directors are responsible for ensuring that the Company and the Group keep proper accounting records to enable the Company and the Group to disclose, with reasonable accuracy and without any material misstatement, the financial position of the Company and the Group as at 31 March 2026 and the financial performance and cash flows of the Company and the Group for the financial year ended on that date.

In preparing the financial statements for the financial year ended 31 March 2026, the Directors have:

a) adopted the relevant and appropriate accounting policies consistently;

b) made judgments and estimates that are reasonable and prudent;

c) adopted applicable accounting standards, subject to any material departures, if any, which will be disclosed and explained in the financial statements; and

d) prepared the financial statements on the assumption that the Company and the Group will operate as a going concern.

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

This Statement of Directors' Responsibility has been approved by the Board of Avillion Berhad on 30 July 2026.

REPORTS AND FINANCIAL STATEMENTS

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 2026.

PRINCIPAL ACTIVITIES

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

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

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

RESULTS

	Group RM'000	Company RM'000
Loss for the financial year, net of tax	(14,883)	(3,371)
Attributable to:		
Owners of the Company	(13,777)	(3,371)
Non-controlling interests	(1,106)	-
	(14,883)	(3,371)

DIVIDENDS

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

The directors do not recommend the payment of any dividends in respect of the financial year ended 31 March 2026.

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 all known bad debts had been written off and that adequate allowance had been made for doubtful debts.

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

CURRENT ASSETS

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

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

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

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

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

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

CHANGE OF CIRCUMSTANCES

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

ITEMS OF MATERIAL AND UNUSUAL NATURE

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

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

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

AUDITORS' REMUNERATION AND INDEMNITY

The auditors' remuneration of the Group and the Company during the financial year were RM421,000 and RM106,000 respectively.

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

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company issued 283,000,000 new ordinary shares at a price of RM0.04 per ordinary share via private placement exercise for working capital purposes.

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

During the financial year, no new issue of debentures was made by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

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

DIRECTORS

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

Datin Norizan Binti Idris	
Dato' Seri Jamil Bin Bidin	
Ho Soo Woon	
Yeo Tek Ling	(Appointed on 13 August 2025)
Datuk Lim Chai Hock	(Appointed on 12 September 2025)
Lim Bay Gie	(Appointed on 12 September 2025)
Lee En Dian (Alternate Director to Lim Bay Gie)	(Appointed on 12 September 2025)
Tan Chee Wan	(Appointed on 3 November 2025)
Datuk Dr. Yacob Bin Mustafa	(Appointed on 16 January 2026)

DIRECTORS' REPORT (CONTINUED)

DIRECTORS (CONTINUED)

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

Rungit Singh A/L Jaswant Singh	(Resigned on 20 May 2025)
Stephen Geh Sim Whye	(Resigned on 20 May 2025)
Fong Wai Leong	(Retired on 11 September 2025)
Li, Anwei	(Appointed on 16 May 2025 and retired on 11 September 2025)
Christopher Lawrence Bachran	(Resigned on 24 April 2026)

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

Chan Mei Han	
Ahmad Nizam Bin Mohamed Amin	
Muhammad Azrul Bin Abdul Hamid	
Fong Wai Leong	
Mohd Amzar Bin Mohd Azhar	
Tan Wee Hoon	(Appointed on 11 September 2025)
Megat Khairulazhar Bin Khairodin	(Appointed on 9 January 2026)
Chin Qian Hui	(Resigned on 31 July 2025)
Mohammed Suhaimi Bin Yaacob	(Resigned on 9 January 2026)

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 date of appointment/ 1.4.2025	**Bought**	**Sold**	**At 31.3.2026**
Direct interests:				
Datuk Lim Chai Hock	213,000,000	-	-	213,000,000
Indirect interests:				
Lim Bay Gie	213,000,000	-	-	213,000,000

* *Deemed interests by virtue of her parent's direct shareholdings in the Company.*

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 or debentures of the Company and its related corporations during the financial year.

DIRECTORS' REPORT (CONTINUED)

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, other than any deemed benefit which arises from transactions as shown below.

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

	2026	
	Group RM'000	**Company RM'000**
Directors of the Company		
Executive director:		
- Salaries	443	394
- Other emoluments	13	13
- Defined contribution plans	35	35
	491	442
Non-executive directors:		
- Fees	276	276
- Other emoluments	57	57
	333	333
	824	775

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

INDEMNITY TO DIRECTORS AND OFFICERS

During the financial year, the total amount of indemnity coverage and insurance premium paid for the directors and certain officers of the Company were RM20,000,000 and RM40,375 respectively.

DIRECTORS' REPORT (CONTINUED)

SUBSIDIARIES

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

Name of company	Principal place of business/ Country of incorporation	Effective equity interest 2026 %	Effective equity interest 2025 %	Principal activities
Subsidiaries				
Hotel Division				
Direct subsidiaries				
Fortune Valley Sdn. Bhd.	Malaysia	100	100	Development and management of hotels
Avillion Hotel Group Sdn. Bhd.	Malaysia	100	100	Hotel and resort management
Indirect subsidiaries held through Avillion Hotel Group Sdn. Bhd.				
Avillion Hotels International Sdn. Bhd.	Malaysia	100	100	Hotel and resort management
Avi Spa Sdn. Bhd.	Malaysia	100	100	Operate and manage spa and health centre
Avillion Suite Hotel (PD) Sdn. Bhd.	Malaysia	100	100	Provision of management services for hotel suites and service apartments
Avillion Vista Hotel Sdn. Bhd.	Malaysia	100	100	Provision of management services for hotel suites and service apartments
Avillion Hotel (KL) Sdn. Bhd.	Malaysia	100	100	Provision of marketing for resorts and hotels
PT Avillion Indonesia #	Indonesia	100	100	Management and advisory consultancy in hotel, property and tourism industry
Property Division				
Direct subsidiary				
RPB Development Sdn. Bhd.	Malaysia	100	100	Hotel and resort development

DIRECTORS' REPORT (CONTINUED)

SUBSIDIARIES (CONTINUED)

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

Name of company	Principal place of business/ Country of incorporation	Effective equity interest 2026 %	Effective equity interest 2025 %	Principal activities
Subsidiaries (continued)				
<u>**Property Division (continued)**</u>				
Indirect subsidiaries held through RPB Development Sdn. Bhd.				
Mela Lifestyle Sdn. Bhd.	Malaysia	100	100	Property development
Meridian Haven Sdn. Bhd.	Malaysia	100	100	Investment holding
Nesline Sdn. Bhd.	Malaysia	100	100	Investment holding
Festive Place Sdn. Bhd.	Malaysia	100	100	Development and management of tourism related projects and property investment
Admiral Cove Development Sdn. Bhd.	Malaysia	80	80	Property and resort development
Admiral Hill Hotel Sdn. Bhd.	Malaysia	80	80	Property and resort development
Indirect subsidiary held through Meridian Haven Sdn. Bhd.				
Golden Envoy (M) Sdn. Bhd.	Malaysia	100	100	Property development
Indirect subsidiary held through Nesline Sdn. Bhd.				
Taman Unik Sdn. Bhd.	Malaysia	100	100	Investment holding
Indirect subsidiary held through Festive Place Sdn. Bhd.				
Vast Access Sdn. Bhd.	Malaysia	100	100	Investment and property holding

DIRECTORS' REPORT (CONTINUED)

SUBSIDIARIES (CONTINUED)

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

Name of company	Principal place of business/ Country of incorporation	Effective equity interest 2026 %	Effective equity interest 2025 %	Principal activities
Subsidiaries (continued)				
Property Division (continued)				
Indirect subsidiaries held through Admiral Cove Development Sdn. Bhd.				
Admiral Marina Berhad	Malaysia	80	80	Operation of a marina club including berthing facilities
Genius Field Sdn. Bhd.	Malaysia	80	80	Investment holding
Travel division				
Direct subsidiaries				
RPB Holdings (Overseas) Limited	British Virgin Islands	100	100	Investment holding
Reliance E-Com Sdn. Bhd.	Malaysia	100	100	Investment company in relation to electronic commerce
Indirect subsidiary held through Reliance E-Com Sdn. Bhd.				
Reliance Shipping & Travel Agencies (Perak) Sdn. Bhd.	Malaysia	100	100	Investment holding
Indirect subsidiaries held through RPB Holdings (Overseas) Limited				
Reliance Travel Agencies (S) Pte. Ltd *	Singapore	100	100	Travel services, outbound tours and other related services
Vacation Singapore DMC Pte. Ltd *	Singapore	100	100	Travel services, outbound tours and other related services
Reliance Travel (Hong Kong) Limited *	Hong Kong	100	100	Travel services and tours
Vacation Asia (HK) Limited *	Hong Kong	100	100	Travel services and tours

DIRECTORS' REPORT (CONTINUED)

SUBSIDIARIES (CONTINUED)

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

Name of company	Principal place of business/ Country of incorporation	Effective equity interest 2026 %	Effective equity interest 2025 %	Principal activities
Subsidiaries (continued)				
<u>Support companies</u>				
Direct subsidiary				
RPB Capital Holdings Sdn. Bhd.	Malaysia	100	100	Investment holding
Indirect subsidiaries held through RPB Capital Holdings Sdn. Bhd.				
Avi Agro Sdn. Bhd.	Malaysia	100	100	Advertising and media services
OS Resources Sdn. Bhd.	Malaysia	100	100	Office services, administrative and provision of information technology products and services and property investment

* *Audited by auditors other than Baker Tilly Monteiro Heng PLT.*
\# *The Company is not required to be audited in its country of incorporation.*

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

AUDITORS

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

DIRECTORS' REPORT (CONTINUED)

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

……………………………………………………………..

DATUK LIM CHAI HOCK
Director

……………………………………………………………

YEO TEK LING
Director

Date: 30 July 2026

STATEMENTS OF **FINANCIAL POSITION**
AS AT 31 MARCH 2026

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	5	175,802	174,113	48	24
Right-of-use assets	6(a)	49,454	52,281	-	-
Investment properties	7	2,164	2,206	-	-
Inventories	8	43,421	43,421	-	-
Intangible asset	9	-	2	-	-
Investment in subsidiaries	10	-	-	198,481	198,481
Other receivables	11	-	-	-	-
Total non-current assets		270,841	272,023	198,529	198,505
Current assets					
Inventories	8	63,457	65,544	-	-
Trade and other receivables	11	3,753	4,455	10	10
Prepayments		721	837	2	- *
Amounts owing by subsidiaries	12(a)	-	-	5,566	714
Current tax assets		893	1,222	8	15
Cash and short-term deposits	13	7,104	5,240	5,080	2,764
		75,928	77,298	10,666	3,503
Assets classified as held for sale	14	-	11,794	-	-
Total current assets		75,928	89,092	10,666	3,503
TOTAL ASSETS		346,769	361,115	209,195	202,008

STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2026 (CONTINUED)

		Group		Company	
		2026	2025	2026	2025
	Note	RM'000	RM'000	RM'000	RM'000
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	15	247,415	236,095	247,415	236,095
Other reserves	16	107,778	112,977	-	-
Accumulated losses		(143,733)	(134,835)	(172,128)	(168,757)
		211,460	214,237	75,287	67,338
Non-controlling interests	10(a)	168	1,274	-	-
TOTAL EQUITY		211,628	215,511	75,287	67,338
Non-current liabilities					
Loans and borrowings	17	26,610	34,477	26,400	32,400
Deferred tax liabilities	18	35,534	37,144	-	-
Lease liabilities	6(b)	-	320	-	-
Amount owing to a subsidiary	12(b)	-	-	45,761	42,667
Total non-current liabilities		62,144	71,941	72,161	75,067
Current liabilities					
Loans and borrowings	17	40,802	42,908	28,091	29,890
Trade and other payables	19	28,892	22,288	11,967	5,562
Current tax liabilities		227	1,540	-	-
Contract liabilities	20	2,708	4,420	-	-
Lease liabilities	6(b)	368	2,507	-	-
Amounts owing to subsidiaries	12(a)	-	-	21,689	24,151
Total current liabilities		72,997	73,663	61,747	59,603
TOTAL LIABILITIES		135,141	145,604	133,908	134,670
TOTAL EQUITY AND LIABILITIES		346,769	361,115	209,195	202,008

* *Representing amount less than RM1,000.*

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

AVILLION BERHAD

STATEMENTS OF **COMPREHENSIVE INCOME**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

		Group		Company	
	Note	2026 RM'000	2025 RM'000 (Restated)	2026 RM'000	2025 RM'000
Revenue	21	55,183	58,482	960	960
Cost of sales	22	(28,073)	(27,374)	-	-
Gross profit		27,110	31,108	960	960
Other income		2,217	861	958	705
Selling and promotion expenses		(1,894)	(1,645)	-	-
Administrative expenses		(32,835)	(32,995)	(3,625)	(2,952)
Other expenses		(4,954)	(801)	-	(15,447)
Net impairment (loss)/gain on trade and other receivables		(24)	64	-	-
Operating loss		(10,380)	(3,408)	(1,707)	(16,734)
Finance income	23	49	39	2,075	2,025
Finance costs	24	(4,881)	(5,649)	(3,739)	(5,921)
Loss before tax	25	(15,212)	(9,018)	(3,371)	(20,630)
Income tax credit	26	329	178	-	-
Loss for the financial year		(14,883)	(8,840)	(3,371)	(20,630)
Other comprehensive income/ (loss) for the financial year, net of tax:					
Items that will not be reclassified subsequently to profit or loss					
Revaluation gain on property, plant and equipment and right-of-use assets		687	-	-	-
Reduction in revaluation surplus of property, plant and equipment		-	(334)	-	-
		687	(334)	-	-
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation on foreign operations		(1,007)	(723)	-	-
		(1,007)	(723)	-	-
Other comprehensive loss for the financial year		(320)	(1,057)	-	-
Total comprehensive loss for the financial year		(15,203)	(9,897)	(3,371)	(20,630)

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026 (CONTINUED)

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Loss attributable to:					
Owners of the Company		(13,777)	(6,708)	(3,371)	(20,630)
Non-controlling interests	10(a)	(1,106)	(2,132)	-	-
		(14,883)	(8,840)	(3,371)	(20,630)
Total comprehensive loss attributable to:					
Owners of the Company		(14,097)	(7,765)	(3,371)	(20,630)
Non-controlling interests	10(a)	(1,106)	(2,132)	-	-
		(15,203)	(9,897)	(3,371)	(20,630)
Loss per ordinary share attributable to owners of the Company (sen):					
- Basic	27(a)	(1.05)	(0.59)		
- Diluted	27(b)	(1.05)	(0.59)		

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

STATEMENTS OF **CHANGES IN EQUITY**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	Note	Attributable to the owners of the Company						
		Share capital RM'000	Foreign currency translation reserve RM'000	Revaluation reserve RM'000	Accumulated losses RM'000	Sub-total RM'000	Non-controlling interests RM'000	Total equity RM'000
Group								
At 1 April 2025		236,095	6,082	106,895	(134,835)	214,237	1,274	215,511
Total comprehensive loss for the financial year								
Loss for the financial year		-	-	-	(13,777)	(13,777)	(1,106)	(14,883)
Other comprehensive (loss)/income for the financial year		-	(1,007)	687	-	(320)	-	(320)
Total comprehensive (loss)/income		-	(1,007)	687	(13,777)	(14,097)	(1,106)	(15,203)
Transaction with owners								
Issue of ordinary shares	15	11,320	-	-	-	11,320	-	11,320
Total transaction with owners		11,320	-	-	-	11,320	-	11,320
Realisation of revaluation reserve		-	-	(4,879)	4,879	-	-	-
At 31 March 2026		247,415	5,075	102,703	(143,733)	211,460	168	211,628

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026 (CONTINUED)

	Attributable to the owners of the Company						
	Share capital RM'000	**Foreign currency translation reserve RM'000**	**Revaluation reserve RM'000**	**Accumulated losses RM'000**	**Sub-total RM'000**	**Non-controlling interests RM'000**	**Total equity RM'000**
Group							
At 1 April 2024	236,095	6,805	112,260	(133,158)	222,002	3,406	225,408
Total comprehensive loss for the financial year							
Loss for the financial year	-	-	-	(6,708)	(6,708)	(2,132)	(8,840)
Other comprehensive loss for the financial year	-	(723)	(334)	-	(1,057)	-	(1,057)
Total comprehensive loss	-	(723)	(334)	(6,708)	(7,765)	(2,132)	(9,897)
Realisation of revaluation reserve	-	-	(5,031)	5,031	-	-	-
At 31 March 2025	236,095	6,082	106,895	(134,835)	214,237	1,274	215,511

AVILLION BERHAD

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026 (CONTINUED)

	Note	|-- Attributable to the owners of the Company --| Share capital RM'000	Accumulated losses RM'000	Total equity RM'000
Company				
At 1 April 2024		236,095	(148,127)	87,968
Total comprehensive loss for the financial year		-	(20,630)	(20,630)
At 31 March 2025		236,095	(168,757)	67,338
Total comprehensive loss for the financial year		-	(3,371)	(3,371)
Transaction with owners				
Issue of ordinary shares	15	11,320	-	11,320
At 31 March 2026		247,415	(172,128)	75,287

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

AVILLION
BERHAD

STATEMENTS OF **CASH FLOWS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Cash flows from operating activities					
Loss before tax		(15,212)	(9,018)	(3,371)	(20,630)
Adjustments for:					
Amortisation of intangible assets		2	6	-	-
Bad debts written off		23	-	-	-
Depreciation of:					
- investment properties		42	43	-	-
- property, plant and equipment		8,268	8,286	12	40
- right-of-use assets		3,040	2,985	-	-
Finance costs		4,881	5,649	3,739	5,921
Finance income		(49)	(39)	(2,075)	(2,025)
Gain on disposal of:					
- asset classified as held for sale		(3)	-	-	-
- investment properties		-	(15)	-	-
Loss on termination of lease contracts		-	99	-	-
Net impairment losses on:					
- loans that are part of net investments		-	-	-	15,447
- property, plant and equipment		4,879	801	-	-
Net impairment loss/(gain) on trade and other receivables		24	(64)	-	-
Net unrealised foreign exchange gain		(958)	(691)	(958)	(691)
Reversal of impairment loss on property, plant and equipment		(652)	-	-	-
Written off of property, plant and equipment		38	5	-	-
Operating profit/(loss) before changes in working capital, carried forward		4,323	8,047	(2,653)	(1,938)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026 (CONTINUED)

		Group		Company	
		2026	2025	2026	2025
	Note	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities (continued)					
Operating profit/(loss) before changes in working capital, brought forward		4,323	8,047	(2,653)	(1,938)
Changes in working capital:					
Inventories		2,087	1,772	-	-
Trade and other receivables		602	1,651	-	-
Prepayments		79	(322)	(2)	7
Trade and other payables		6,752	(1,748)	6,405	(1,126)
Contract liabilities		(1,712)	1,304	-	-
Net cash from/(used in) operations		12,131	10,704	3,750	(3,057)
Interest paid		(4,759)	(5,403)	(3,739)	(4,240)
Interest received		49	39	10	-
Income tax refunded		46	14	9	-
Income tax paid		(2,348)	(1,063)	(2)	(3)
Net cash from/(used in) operating activities		5,119	4,291	28	(7,300)
Cash flows from investing activities					
(Advances to)/Repayments from subsidiaries		-	-	(1,197)	8,117
Net change in cash held under sinking fund		(32)	(9)	-	-
Net placement of fixed deposits with licensed bank		42	17	-	-
Proceeds from disposal of:					
- asset classified as held for sale		100	-	-	-
- investment properties		-	162	-	-
Purchase of investment properties		-	(263)	-	-
Purchase of property, plant and equipment	(a)	(1,678)	(1,011)	(36)	(12)
Net cash (used in)/from investing activities		(1,568)	(1,104)	(1,233)	8,105

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026 (CONTINUED)

		Group		Company	
		2026	2025	2026	2025
	Note	RM'000	RM'000	RM'000	RM'000
Cash flows from financing activities					
Proceeds from issuance of ordinary shares		11,320	-	11,320	-
Drawdown of term loans	(b)	-	360	-	-
Net repayment of hire purchase payable	(b)	(3)	(4)	-	-
Net repayments of lease liabilities	(b)	(2,794)	(2,381)	-	-
Net repayments of revolving credit	(b)	-	(1,300)	-	(1,300)
Net repayments of term loans	(b)	(8,070)	(2,530)	(6,070)	(2,030)
Net cash from/(used in) financing activities		453	(5,855)	5,250	(3,330)
Net changes in cash and cash equivalents		4,004	(2,668)	4,045	(2,525)
Effects of exchange rate changes		(64)	(379)	-	-
Cash and cash equivalents at the beginning of the financial year		(17,172)	(14,125)	(8,956)	(6,431)
Cash and cash equivalents at the end of the financial year		(13,232)	(17,172)	(4,911)	(8,956)
Analysis of cash and cash equivalents:					
Cash and bank balances		6,506	4,600	5,080	2,764
Deposits with licensed banks		598	640	-	-
Bank overdrafts		(19,672)	(21,738)	(9,991)	(11,720)
Less:					
- Deposit pledged with licensed banks		(598)	(640)	-	-
- Cash held under sinking fund		(66)	(34)	-	-
		(13,232)	(17,172)	(4,911)	(8,956)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026 (CONTINUED)

(a) Purchase of property, plant and equipment

	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Purchase of property, plant and equipment	1,844	1,011	36	12
Financed by way of hire purchase arrangement	(166)	-	-	-
Cash payments on purchase of property, plant and equipment	1,678	1,011	36	12

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

Group	At 1.4.2025 RM'000	Non-cash Acquisition RM'000	Non-cash Others RM'000	Cash flows RM'000	At 31.3.2026 RM'000
Hire purchase payable	-	166	-	(3)	163
Lease liabilities	2,827	213	122	(2,794)	368
Revolving credit	5,000	-	-	-	5,000
Term loans	50,647	-	-	(8,070)	42,577
	58,474	379	122	(10,867)	48,108

Group	At 1.4.2024 RM'000	Non-cash Acquisition RM'000	Non-cash Others RM'000	Cash flows RM'000	At 31.3.2025 RM'000
Hire purchase payable	4	-	-	(4)	-
Lease liabilities	4,975	361	(128)	(2,381)	2,827
Revolving credit	6,300	-	-	(1,300)	5,000
Term loans	52,817	-	-	(2,170)	50,647
	64,096	361	(128)	(5,855)	58,474

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026 (CONTINUED)

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

Company	At 1.4.2025 RM'000	Cash flows RM'000	At 31.3.2026 RM'000
Revolving credit	5,000	-	5,000
Term loans	45,570	(6,070)	39,500
	50,570	(6,070)	44,500

Company	At 1.4.2024 RM'000	Cash flows RM'000	At 31.3.2025 RM'000
Revolving credit	6,300	(1,300)	5,000
Term loans	47,600	(2,030)	45,570
	53,900	(3,330)	50,570

(c) Total cash outflows for leases

During the financial year, the Group and the Company had total cash outflows for leases of RM3,199,000 and RM131,000 (2025: RM2,832,000 and RM131,000) respectively.

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

NOTES TO THE **FINANCIAL STATEMENTS**

1. CORPORATE INFORMATION

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

The registered office of the Company is located at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur.

The principal place of business of the Company is located at Level 9, Wisma YPR, No. 1, Lorong Kapar, Off Jalan Syed Putra, 58000 Kuala Lumpur.

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

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

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

The financial statements of the Group and of the Company were authorised for issuance by the Board of Directors in accordance with a resolution of the directors on 30 July 2026.

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 Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

2.2 Adoption of amendments to MFRS

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

<u>Amendments to MFRS</u>
MFRS 121 The Effects of Changes in Foreign Exchange Rates

The adoption of the above amendments to MFRS 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.

2. BASIS OF PREPARATION (CONTINUED)

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

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

		Effective for financial periods beginning on or after
New MFRS		
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to MFRSs		
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2026
MFRS 7	Financial Instruments: Disclosures	1 January 2026
MFRS 9	Financial Instruments	1 January 2026
MFRS 10	Consolidated Financial Statements	1 January 2026/ Deferred
MFRS 107	Statement of Cash Flows	1 January 2026
MFRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2027
MFRS 128	Investments in Associates and Joint Ventures	Deferred

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

MFRS 18 Presentation and Disclosure in Financial Statements

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

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

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

2. BASIS OF PREPARATION (CONTINUED)

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

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

MFRS 18 Presentation and Disclosure in Financial Statements (continued)

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

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

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

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

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

(c) The initial application of the applicable new MFRS and amendments to MFRSs is not expected to have material financial impact to the current and prior years’ financial statements of the Group and the Company.

The Group and the Company are currently assessing the impact of MFRS 18, which among others, may result in changes to how information is grouped in the financial statements, the presentation structure of the statements of comprehensive income, certain items in the statements of cash flows and the additional disclosures required for MPMs, if any.

2. BASIS OF PREPARATION (CONTINUED)

2.4 Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency, and has been rounded to the nearest thousand, unless otherwise stated.

2.5 Basis of measurement

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

2.6 Fundamental accounting principle

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

During the financial year ended 31 March 2026, the Group and the Company incurred a net loss of RM14,883,000 and RM3,371,000 and recorded negative cash and cash equivalents of RM13,232,000 and RM4,911,000 respectively, and as at that date, the Company's current liabilities exceed its current assets by RM51,081,000. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's and the Company's ability to continue as a going concern.

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

(a) The Group's efforts to continue to roll out innovative and attractive packages to further improve the occupancy and revenue of the hotel division;
(b) Disposal of low and/or non-yielding lands;
(c) Intensify sales and marketing efforts to sell the remaining units from the current development project and completed properties;
(d) Continuity and extension of banking facilities granted by financial institutions;
(e) Potential immediate sale of certain land classified under inventories of the Group; and
(f) Group restructuring and fund-raising exercises.

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

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

3. **MATERIAL ACCOUNTING POLICY INFORMATION**

Unless otherwise stated, the following material accounting policies information 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**

(a) **Subsidiaries and business combination**

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

(b) **Non-controlling interests**

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

3.2 **Separate financial statements**

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

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

3.3 **Financial instruments**

Financial assets - subsequent measurement and gains and losses

Debt instruments at amortised cost

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

Financial liabilities - subsequent measurement and gains and losses

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

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

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.4 Property, plant and equipment

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

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

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

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

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

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

3.5 Leases

Lessee accounting

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

<u>Short-term leases and leases of low value assets</u>

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

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.5 Leases (continued)

Lessee accounting (continued)

Right-of-use assets

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

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

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

Lease liabilities

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

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

3.6 Investment properties

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

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

	Useful lives (years)
Leasehold buildings	50 years

3.7 Inventories

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

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

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.7 Inventories (continued)

Properties held for property development

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

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

Properties under development and completed properties

Cost includes:

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

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

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

3.8 Intangible assets

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

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

	Method	**Useful lives**
Website development cost	Straight-line	2 years

3.9 Revenue and other income

Financing components

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

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.9 Revenue and other income (continued)

(a) Hotel and resort operations

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

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

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

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

(b) Travel services and tours

Revenue from hotel arrangements and air ticketing are recognised at a point in time upon services rendered to the customer.

Revenue from group travel services and tours are recognised over time upon services rendered to the customer.

(c) Property development

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

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

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

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.9 Revenue and other income (continued)

(c) Property development (continued)

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

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

(d) Sales of completed properties

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

(e) Membership and subscription fees

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

(f) Management fee

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

(g) Revenue from marina operations

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

(h) Revenue from club operations

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

(i) Dividend income

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

AVILLION BERHAD

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.9 Revenue and other income (continued)

(j) Interest income

Interest income is recognised using the effective interest method.

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 judgements are based on the directors' best knowledge of current events and actions, actual results may differ.

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

(a) Going concern

The Group and the Company apply judgement and assumptions in determining their ability to continue as going concerns of at least 12 months from the end of the financial year which is subject to material uncertainty. The Group and the Company consider the facts and circumstances and make assumptions about the future, including their plan to realise their assets and discharge their liabilities in the normal course of business.

The details of material uncertainty related to going concern are disclosed in Note 2.6 to the financial statements.

(b) Inventories valuation

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

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

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

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

5. PROPERTY, PLANT AND EQUIPMENT

Group	Buildings RM'000 (At valuation)	Freehold land RM'000 (At valuation)	Condominium RM'000	Motor vehicles RM'000	Furniture and fittings RM'000	Office equipment RM'000	Data processing equipment RM'000	Electrical installation RM'000	Boats RM'000	Renovation RM'000	Total RM'000
2026											
Cost/Valuation											
At 1 April 2025	165,527	7,650	427	767	8,639	12,931	3,206	1,833	91	22,220	223,291
Additions	-	-	-	178	359	926	174	161	-	46	1,844
Written off	-	-	-	-	(303)	(577)	(163)	(56)	-	(176)	(1,275)
Revaluation gain	723	-	-	-	-	-	-	-	-	-	723
Transfer from assets classified as held for sale	12,871	-	-	-	-	-	-	-	-	-	12,871
Exchange differences	(48)	-	-	-	-*	(11)	(2)	-	-	-	(61)
At 31 March 2026	179,073	7,650	427	945	8,695	13,269	3,215	1,938	91	22,090	237,393
Accumulated depreciation											
At 1 April 2025	6,743	-	94	767	8,399	9,727	2,948	1,300	81	19,119	49,178
Charge for the financial year	6,707	-	9	6	56	697	109	119	4	561	8,268
Written off	-	-	-	-	(300)	(561)	(159)	(42)	-	(175)	(1,237)
Transfer from assets classified as held for sale	39	-	-	-	-	-	-	-	-	-	39
Exchange differences	(11)	-	-	-	-*	(8)	-*	-	-	-*	(19)
At 31 March 2026	13,478	-	103	773	8,155	9,855	2,898	1,377	85	19,505	56,229

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Buildings RM'000 (At valuation)	Freehold land RM'000 (At valuation)	Condominium RM'000	Motor vehicles RM'000	Furniture and fittings RM'000	Office equipment RM'000	Data processing equipment RM'000	Electrical installation RM'000	Boats RM'000	Renovation RM'000	Total RM'000
2026											
Accumulated impairment loss											
At 1 April 2025	-	-	-	-	-	-	-	-	-	-	-
Impairment loss	4,879	-	-	-	-	-	-	-	-	-	4,879
Reversal of impairment loss	(652)	-	-	-	-	-	-	-	-	-	(652)
Transfer from assets classified as held for sale	1,135	-	-	-	-	-	-	-	-	-	1,135
At 31 March 2026	5,362	-	-	-	-	-	-	-	-	-	5,362
Carrying amount											
At 31 March 2026	160,233	7,650	324	172	540	3,414	317	561	6	2,585	175,802
Representing:											
- Cost	-	-	324	172	540	3,414	317	561	6	2,585	7,919
- Valuation	160,233	7,650	-	-	-	-	-	-	-	-	167,883
	160,233	7,650	324	172	540	3,414	317	561	6	2,585	175,802

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Buildings RM'000 (At valuation)	Freehold land RM'000 (At valuation)	Condominium RM'000	Motor vehicles RM'000	Furniture and fittings RM'000	Office equipment RM'000	Data processing equipment RM'000	Electrical installation RM'000	Boats RM'000	Renovation RM'000	Total RM'000
2025											
Cost/Valuation											
At 1 April 2024	178,596	7,650	427	767	9,144	12,741	3,075	1,722	91	22,137	236,350
Additions	-	-	-	-	102	446	174	191	-	98	1,011
Written off	-	-	-	-	(597)	(305)	(2)	(3)	-	-	(907)
Reclassification	-	-	-	-	-	77	-	(77)	-	-	-
Transfer to assets classified as held for sale	(13,021)	-	-	-	-	-	-	-	-	-	(13,021)
Exchange differences	(48)	-	-	-	(10)	(28)	(41)	-	-	(15)	(142)
At 31 March 2025	165,527	7,650	427	767	8,639	12,931	3,206	1,833	91	22,220	223,291
Accumulated depreciation											
At 1 April 2024	110	-	86	767	8,940	9,323	2,914	1,232	77	18,530	41,979
Charge for the financial year	6,730	-	8	-	65	696	77	103	4	603	8,286
Written off	-	-	-	-	(596)	(300)	(3)	(3)	-	-	(902)
Reclassification	-	-	-	-	-	32	-	(32)	-	-	-
Transfer to assets classified as held for sale	(92)	-	-	-	-	-	-	-	-	-	(92)
Exchange differences	(5)	-	-	-	(10)	(24)	(40)	-	-	(14)	(93)
At 31 March 2025	6,743	-	94	767	8,399	9,727	2,948	1,300	81	19,119	49,178
Carrying amount											
At 31 March 2025	158,784	7,650	333	-	240	3,204	258	533	10	3,101	174,113
Representing:											
- Cost	-	-	333	-	240	3,204	258	533	10	3,101	7,679
- Valuation	158,784	7,650	-	-	-	-	-	-	-	-	166,434
	158,784	7,650	333	-	240	3,204	258	533	10	3,101	174,113

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5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Office equipment RM'000	Furniture and fittings RM'000	Data processing equipment RM'000	Electrical installation RM'000	Renovation RM'000	Total RM'000
Company						
2026						
Cost						
At 1 April 2025	31	102	98	31	314	576
Additions	-	-	36	-	-	36
At 31 March 2026	31	102	134	31	314	612
Accumulated depreciation						
At 1 April 2025	30	101	82	28	311	552
Charge for the financial year	- *	- *	9	2	1	12
At 31 March 2026	30	101	91	30	312	564
Carrying amount						
At 31 March 2026	1	1	43	1	2	48
2025						
Cost						
At 1 April 2024	31	102	87	30	314	564
Additions	-	- *	11	1	-	12
At 31 March 2025	31	102	98	31	314	576
Accumulated depreciation						
At 1 April 2024	28	98	76	28	282	512
Charge for the financial year	2	3	6	- *	29	40
At 31 March 2025	30	101	82	28	311	552
Carrying amount						
At 31 March 2025	1	1	16	3	3	24

* *Representing amount less than RM1,000.*

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(a) Fair value information

Level 3 fair value

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

Description	Valuation technique	Significant unobservable inputs	Relationship of unobservable inputs to fair value	Date of valuation
Freehold land 1	Sales comparison approach	Price per square feet RM51 (2025: RM51)	The higher the price per square feet, the higher the fair value	13 May 2026
Freehold land 2	Sales comparison approach	Price per square feet RM277 (2025: RM261)	The higher the price per square feet, the higher the fair value	19 May 2025
Building 2	Cost approach	Price per square feet RM104 (2025: RM89)	The higher the cost of replacement per square feet, the higher the fair value	19 May 2025
Building 3	Cost approach	Price per square feet RM350 (2025: RM350)	The higher the construction costs per square feet, the higher the fair value	18 May 2026
Freehold land and building	Income approach	Estimated higher yield rate per room RM568,000 (2025: RM568,000)	The higher the yield rate per room, the higher the fair value	13 May 2026

There is no transfer between the level of fair value hierarchy during the financial year ended 31 March 2026.

Valuation processes applied by the Group

The fair values of the land and buildings are determined by external independent property valuers which are members of the Institute of Valuers in Malaysia and an external independent property valuer and a member of Masyarakat Profesi Penilai Indonesia, with appropriate recognised professional qualifications and recent experiences in the location and category of properties being valued.

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5. **PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

(a) Fair value information (continued)

Valuation processes applied by the Group (continued)

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

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

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

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

Highest and best use

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

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

	Group	
	2026 RM'000	**2025 RM'000**
Freehold land	18,944	17,451
Buildings	42,867	50,221
	61,811	67,672

(c) Included in the Group's property, plant and equipment are certain land and buildings with the net carrying amount of RM122,328,000 (2025: RM127,789,000) pledged to secure banking facilities granted to the Group as disclosed in Note 17 to the financial statements.

(d) Included in the Group's property, plant and equipment are certain buildings registered under the name of third parties with carrying amounts of RM13,368,000 (2025: RM363,000).

(e) In the previous financial year, certain property, plant and equipment were transferred to the assets classified as held for sale with carrying amounts of RM11,794,000 related to assets that are used by PT Avillion Indonesia ("PTAI") and Reliance Shipping & Travel Agencies (Perak) Sdn. Bhd. respectively.

During the financial year, the assets previously classified as held for sale with a carrying amount of RM11,697,000 are reclassified back to property, plant and equipment as the Group is unable to satisfy the conditions imposed on the immediate sale of the properties.

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5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(f) Asset under hire purchase arrangement

The carrying amount of asset under hire purchase arrangement is as follows:

	2026 RM'000	2025 RM'000
Group		
Motor vehicle	172	-

(g) During the financial year, an impairment loss of RM4,879,000 was recognised in profit or loss under other expenses, representing the impairment loss of the damaged pontoon structure of a subsidiary, as result of a natural disaster.

In the previous financial year, an impairment loss of RM801,000 was recognised in profit or loss under other expenses, representing the write-down of a hotel land and building to their recoverable amount based on a potential offer received for the properties.

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Right-of-use assets

	Leasehold lands RM'000 (At valuation)	Leased buildings RM'000	Total RM'000
Group			
Cost/Valuation			
2026			
At 1 April 2025	50,600	6,379	56,979
Additions	-	213	213
At 31 March 2026	50,600	6,592	57,192
Accumulated depreciation			
At 1 April 2025	714	3,984	4,698
Depreciation	714	2,326	3,040
At 31 March 2026	1,428	6,310	7,738
Carrying amount			
At 31 March 2026	49,172	282	49,454
Representing:			
- Cost	-	282	282
- Valuation	49,172	-	49,172
	49,172	282	49,454

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

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

	Leasehold lands RM'000 (At valuation)	Leased buildings RM'000	Total RM'000
Group			
Cost/Valuation			
2025			
At 1 April 2024	50,600	6,792	57,392
Additions	-	361	361
Expiration of lease contract	-	(220)	(220)
Termination	-	(528)	(528)
Exchange differences	-	(26)	(26)
At 31 March 2025	50,600	6,379	56,979
Accumulated depreciation			
At 1 April 2024	-	2,254	2,254
Depreciation	714	2,271	2,985
Expiration of lease contract	-	(220)	(220)
Termination	-	(301)	(301)
Exchange differences	-	(20)	(20)
At 31 March 2025	714	3,984	4,698
Carrying amount			
At 31 March 2025	49,886	2,395	52,281
Representing:			
- Cost	-	2,395	2,395
- Valuation	49,886	-	49,886
	49,886	2,395	52,281

The Group's leasehold lands have remaining lease terms ranging from 68 to 70 years (2025: 69 to 71 years).

The leased buildings are mainly for the office space and operational site. The leases for office space and the operational site generally have lease terms between 1 to 3 years.

Included in the Group's right-of-use assets is leasehold lands with the net carrying amount of RM22,458,000 (2025: RM22,779,000) that has been pledged to secure against banking facilities granted to the Group as disclosed in Note 17 to the financial statements.

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

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

Fair value information

Fair values of revalued leasehold lands are categorised as follows:

	Group 2026 RM'000	Group 2025 RM'000
Level 3		
Leasehold lands	50,600	50,600

Level 3 fair value

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

Description	Valuation technique	Significant unobservable inputs	Relationship of unobservable inputs to fair value	Date of valuation
Leasehold lands	Comparison approach	Price per square feet RM42 (2025: RM42)	The higher the price per square feet, the higher the fair value	13 May 2026
Marina club	Comparison approach	Price per square feet RM70 (2025: RM70)	The higher the price per square feet, the higher the fair value	18 May 2026
Marina basin	Comparison approach	Price per square feet RM20 (2025: RM20)	The higher the price per square feet, the higher the fair value	18 May 2026

Valuation processes applied by the Group

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

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

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

Highest and best use

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

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

	Group	
	2026 RM'000	2025 RM'000
Leasehold lands	25,435	25,799

(b) Lease liabilities

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

	Group	
	2026 RM'000	2025 RM'000
Minimum lease payment:		
- Not later than one year	369	2,595
- Later than one year and not later than 5 years	-	321
	369	2,916
Less: Future finance charges	(1)	(89)
Present value of minimum lease payments	368	2,827
Present value of minimum lease payments:		
- Not later than one year	368	2,507
- Later than one year and not later than 5 years	-	320
	368	2,827
Less: Amount due within 12 months	(368)	(2,507)
Amount due after 12 months	-	320

The lease liabilities bear an interest rate of 5.93% (2025: 5.93%) per annum.

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7. INVESTMENT PROPERTIES

	Group	
	2026	2025
	RM'000	RM'000
Leasehold properties		
Cost		
At 1 April 2025/2024	3,015	3,089
Additions	-	263
Disposal	-	(337)
At 31 March	3,015	3,015
Accumulated depreciation		
At 1 April 2025/2024	499	598
Charge for the financial year	42	43
Disposal	-	(142)
At 31 March	541	499
Accumulated impairment loss		
At 1 April 2025/2024	310	358
Disposal	-	(48)
At 31 March	310	310
Carrying amount		
At 31 March	2,164	2,206
Fair value		
At 31 March	2,402	2,402

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

	Group	
	2026	2025
	RM'000	RM'000
Direct operating expenses:		
- non-income generating investment properties	7	8

Level 2 fair value

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

8. INVENTORIES

	Note	Group 2026 RM'000	Group 2025 RM'000
Non-current			
Properties held for development	(a)		
- Freehold land		2,000	2,000
- Leasehold land		14,972	14,972
- Development costs		26,449	26,449
		43,421	43,421
Current			
Properties under development	(b)		
- Freehold land		40,769	42,870
- Development costs		11,294	11,440
		52,063	54,310
Completed unsold development properties	(c)	10,750	10,692
Trading merchandise		424	385
Others		220	157
		63,457	65,544
		106,878	108,965

(a) Properties held for development with a total carrying amount of RM15,078,000 (2025: RM15,078,000) have been pledged to licensed banks as securities for banking facilities granted to the Group as disclosed in Note 17 to the financial statements.

(b) Properties under development with a total carrying amount of RM17,249,000 (2025: RM17,249,000) have been pledged to licensed banks as securities for banking facilities granted to the Group as disclosed in Note 17 to the financial statements.

(c) Completed unsold development properties with a total carrying amount of RM1,446,000 (2025: RM1,446,000) have been pledged to licensed banks as securities for banking facilities granted to the Group as disclosed in Note 17 to the financial statements.

(d) The cost of inventories of the Group recognised as an expense in cost of sales during the financial year was RM8,753,000 (2025: RM6,889,000).

(e) The land titles for properties held for development of RM15,761,000 (2025: RM15,761,000) and properties under development of RM7,955,000 (2025: RM7,916,000) were not registered under the name of a subsidiary of the Group. However, the subsidiary has irrevocable power to deal with the land pursuant to the agreement dated 30 January 1999 and the supplementary agreement dated 26 April 2021 entered between the subsidiary and the landowner to jointly develop the land.

The land titles of the completed unsold development properties of RM797,000 (2025: RM1,147,000) are registered under the landowner as stated above.

9. INTANGIBLE ASSETS

	Website development cost RM'000
Group	
Cost	
At 31 March 2025/31 March 2026	12
Accumulated depreciation	
At 1 April 2024	4
Amortisation charge for the financial year	6
At 31 March 2025	10
Amortisation charge for the financial year	2
At 31 March 2026	12
Carrying amount	
At 31 March 2026	-
At 31 March 2025	2

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

10. INVESTMENT IN SUBSIDIARIES

	Company 2026 RM'000	2025 RM'000
At cost		
Unquoted shares	36,900	36,900
Less: Impairment losses	(10,400)	(10,400)
	26,500	26,500
Loans that are part of net investments	217,081	217,081
Less: Accumulated impairment losses		
At the beginning of the financial year	(45,100)	(29,653)
Add: Impairment losses during the financial year	-	(15,447)
At the end of the financial year	(45,100)	(45,100)
Total loans that are part of net investments (net)	171,981	171,981
Total investment in subsidiaries	198,481	198,481

In the previous financial year, the Company recognised an impairment loss of RM15,447,000 on amounts owing by certain subsidiaries, as the estimated recoverable amounts were lower than their carrying amounts.

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

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

Details of the subsidiaries are as follows:

Name of company	Principal place of business/ Country of incorporation	Effective equity interest 2026 %	Effective equity interest 2025 %	Principal activities
Subsidiaries				
Hotel Division				
Direct subsidiaries				
Fortune Valley Sdn. Bhd.	Malaysia	100	100	Development and management of hotels
Avillion Hotel Group Sdn. Bhd.	Malaysia	100	100	Hotel and resort management
Indirect subsidiaries held through Avillion Hotel Group Sdn. Bhd.				
Avillion Hotels International Sdn. Bhd.	Malaysia	100	100	Hotel and resort management
Avi Spa Sdn. Bhd.	Malaysia	100	100	Operate and manage spa and health centre
Avillion Suite Hotel (PD) Sdn. Bhd.	Malaysia	100	100	Provision of management services for hotel suites and service apartments
Avillion Vista Hotel Sdn. Bhd.	Malaysia	100	100	Provision of management services for hotel suites and service apartments
Avillion Hotel (KL) Sdn. Bhd.	Malaysia	100	100	Provision of marketing for resorts and hotels
PT Avillion Indonesia #	Indonesia	100	100	Management and advisory consultancy in hotel, property and tourism industry

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows (continued):

Name of company	Principal place of business/ Country of incorporation	Effective equity interest 2026 %	Effective equity interest 2025 %	Principal activities
Subsidiaries (continued)				
Property Division				
Direct subsidiary				
RPB Development Sdn. Bhd.	Malaysia	100	100	Hotel and resort development
Indirect subsidiaries held through RPB Development Sdn. Bhd.				
Mela Lifestyle Sdn. Bhd.	Malaysia	100	100	Property development
Meridian Haven Sdn. Bhd.	Malaysia	100	100	Investment holding
Nesline Sdn. Bhd.	Malaysia	100	100	Investment holding
Festive Place Sdn. Bhd.	Malaysia	100	100	Development and management of tourism related projects and property investment
Admiral Cove Development Sdn. Bhd.	Malaysia	80	80	Property and resort development
Admiral Hill Hotel Sdn. Bhd.	Malaysia	80	80	Property and resort development
Indirect subsidiary held through Meridian Haven Sdn. Bhd.				
Golden Envoy (M) Sdn. Bhd.	Malaysia	100	100	Property development
Indirect subsidiary held through Nesline Sdn. Bhd.				
Taman Unik Sdn. Bhd.	Malaysia	100	100	Investment holding
Indirect subsidiary held through Festive Place Sdn. Bhd.				
Vast Access Sdn. Bhd.	Malaysia	100	100	Investment and property holding

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10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows (continued):

Name of company	Principal place of business/ Country of incorporation	Effective equity interest 2026 %	Effective equity interest 2025 %	Principal activities
Subsidiaries (continued)				
Property Division (continued)				
Indirect subsidiaries held through Admiral Cove Development Sdn. Bhd.				
Admiral Marina Berhad	Malaysia	80	80	Operation of a marina club including berthing facilities
Genius Field Sdn. Bhd.	Malaysia	80	80	Investment holding
Travel division				
Direct subsidiaries				
RPB Holdings (Overseas) Limited	British Virgin Islands	100	100	Investment holding
Reliance E-Com Sdn. Bhd.	Malaysia	100	100	Investment company in relation to electronic commerce
Indirect subsidiary held through Reliance E-Com Sdn. Bhd.				
Reliance Shipping & Travel Agencies (Perak) Sdn. Bhd.	Malaysia	100	100	Investment holding
Indirect subsidiaries held through RPB Holdings (Overseas) Limited				
Reliance Travel Agencies (S) Pte. Ltd *	Singapore	100	100	Travel services, outbound tours and other related services
Vacation Singapore DMC Pte. Ltd *	Singapore	100	100	Travel services, outbound tours and other related services
Reliance Travel (Hong Kong) Limited *	Hong Kong	100	100	Travel services and tours
Vacation Asia (HK) Limited *	Hong Kong	100	100	Travel services and tours

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows (continued):

Name of company	Principal place of business/ Country of incorporation	Effective equity interest 2026 %	2025 %	Principal activities
Subsidiaries (continued)				
Support companies				
Direct subsidiary				
RPB Capital Holdings Sdn. Bhd.	Malaysia	100	100	Investment holding
Indirect subsidiaries held through RPB Capital Holdings Sdn. Bhd.				
Avi Agro Sdn. Bhd.	Malaysia	100	100	Advertising and media services
OS Resources Sdn. Bhd.	Malaysia	100	100	Office services, administrative and provision of information technology products and services and property investment

* *Audited by auditors other than Baker Tilly Monteiro Heng PLT.*
\# *The Company is not required to be audited in its country of incorporation.*

(a) Non-controlling interests in subsidiaries

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

Equity interest held by non-controlling interests:

Name of company	Principal place of business/ Country of incorporation	Effective equity interest 2026 %	2025 %
Admiral Cove Development Sdn. Bhd.	Malaysia	20	20
Admiral Marina Berhad	Malaysia	20	20
Genius Field Sdn. Bhd.	Malaysia	20	20
Admiral Hill Hotel Sdn. Bhd.	Malaysia	20	20

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

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

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

	Group 2026 RM'000	Group 2025 RM'000
Admiral Cove Development Sdn. Bhd. and its subsidiaries	307	1,406
Admiral Hill Hotel Sdn. Bhd.	(139)	(132)
	168	1,274

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

	Group 2026 RM'000	Group 2025 RM'000
Admiral Cove Development Sdn. Bhd. and its subsidiaries	(1,099)	(1,693)
Admiral Hill Hotel Sdn. Bhd.	(7)	(439)
	(1,106)	(2,132)

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

	Group 2026 RM'000	Group 2025 RM'000
Admiral Cove Development Sdn. Bhd. and its subsidiaries	(1,099)	(1,693)
Admiral Hill Hotel Sdn. Bhd.	(7)	(439)
	(1,106)	(2,132)

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

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

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

	Admiral Cove Development Sdn. Bhd. and its subsidiaries RM'000	Admiral Hill Hotel Sdn. Bhd. RM'000
Summarised statements of financial position		
As at 31 March 2026		
Current assets	17,246	- *
Non-current assets	92,843	8,301
Current liabilities	(4,951)	(376)
Non-current liabilities	(3,918)	-
Net assets	101,220	7,925
Summarised statements of comprehensive income		
Financial year ended 31 March 2026		
Revenue	8,701	-
Loss for the financial year	(5,496)	(36)
Total comprehensive loss	(5,496)	(36)
Summarised cash flows information		
Financial year ended 31 March 2026		
Cash flows from/(used in) operating activities	186	(20)
Cash flows (used in)/from investing activities	(678)	-
Cash flow from financing activities	507	20
Net increase in cash and cash equivalents	15	-
Loss for the year allocated to NCI	(1,099)	(7)

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10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

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

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

	Admiral Cove Development Sdn. Bhd. and its subsidiaries RM'000	Admiral Hill Hotel Sdn. Bhd. RM'000
Summarised statements of financial position		
As at 31 March 2025		
Current assets	16,967	- *
Non-current assets	83,333	8,301
Current liabilities	(4,075)	(340)
Non-current liabilities	(4,066)	-
Net assets	92,159	7,961
Summarised statements of comprehensive income		
Financial year ended 31 March 2025		
Revenue	12,144	-
Loss for the financial year	(8,467)	(2,195)
Total comprehensive loss	(8,467)	(2,195)
Summarised cash flows information		
Financial year ended 31 March 2025		
Cash flows from/(used in) operating activities	260	(5)
Cash flows (used in)/from investing activities	(275)	5
Net decrease in cash and cash equivalents	(15)	-
Loss for the year allocated to NCI	(1,693)	(439)

* *Representing amount less than RM1,000.*

11. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Non-current:				
Non-trade				
Other receivables	3,392	3,392	3,392	3,392
Less: Impairment losses	(3,392)	(3,392)	(3,392)	(3,392)
Total other receivables (non-current)	-	-	-	-
Current:				
Trade				
Trade receivables	2,991	2,788	-	-
Less: Impairment losses	(337)	(313)		
	2,654	2,475	-	-
Non-trade				
Other receivables	2,711	3,591	2,316	2,316
Deposits	688	689	10	10
GST refundable	16	16	-	-
Less: Impairment losses	(2,316)	(2,316)	(2,316)	(2,316)
	1,099	1,980	10	10
Total trade and other receivables (current)	3,753	4,455	10	10
Total trade and other receivables (current and non-current)	3,753	4,455	10	10

Trade receivables are non-interest bearing and normal credit terms offered by the Group and the Company range from 30 days to 90 days (2025: 30 days to 90 days) from the date of invoices. Other credit terms are assessed and approved on a case-by-case basis.

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

	Group	
	2026 RM'000	2025 RM'000
Later than one year	-	288

The information about the credit exposures is disclosed in Note 29(b)(i) to the financial statements.

11. TRADE AND OTHER RECEIVABLES (CONTINUED)

Receivables that are impaired

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

	Group	
	2026 RM'000	2025 RM'000
At the beginning of the financial year	313	377
Charge during the financial year	24	-
Reversal during the financial year	-	(64)
At the end of the financial year	337	313

12. AMOUNTS OWING BY/(TO) SUBSIDIARIES

(a) The amounts owing by/(to) subsidiaries are unsecured, non-interest bearing, repayable on demand are expected to be settled in cash.

(b) The amount owing to a subsidiary is unsecured and is not expected to be repayable within the next 12 months.

13. CASH AND SHORT-TERM DEPOSITS

		Group		Company	
	Note	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Cash and bank balances	(a)	6,506	4,600	5,080	2,764
Short term-deposits	(b)	598	640	-	-
		7,104	5,240	5,080	2,764

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

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Cash held pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966	189	187	-	-
Cash maintained in debt service reserve account	1,997	3,229	1,627	2,756
Cash held under sinking fund	66	34	-	-
	2,252	3,450	1,627	2,756

13. CASH AND SHORT-TERM DEPOSITS (CONTINUED)

(b) The short-term deposits placed with licensed banks of the Group of RM598,000 (2025: RM640,000) bear interest at 3% (2025: 3.2%) per annum and are pledged for bank overdraft granted to a subsidiary and are therefore not available for general use. The deposits have a maturity period of 6 months (2025: 6 months).

14. ASSETS CLASSIFIED AS HELD FOR SALE

	Buildings RM'000	Freehold land RM'000	Total RM'000
Group			
At 1 April 2024	-	-	-
Transfer from property, plant and equipment	566	11,228	11,794
At 31 March 2025	566	11,228	11,794
Disposal	(97)	-	(97)
Transfer to property, plant and equipment	(469)	(11,228)	(11,697)
At 31 March 2026	-	-	-

In the previous financial year, the non-current assets held for sale were for certain land and buildings for which potential buyers have been identified and the disposals were expected to be completed within the next twelve months after the reporting date.

In accordance with MFRS 5, the assets held for sale had been written down to their fair value less costs to sell.

15. SHARE CAPITAL

	Group and Company			
	Number of shares		Amounts	
	2026	2025	2026	2025
	Units ('000)	Units ('000)	RM'000	RM'000
Ordinary shares				
Issued and fully paid up (no par value):				
At the beginning of the financial year	1,133,288	1,133,288	236,095	236,095
Issue during the year	283,000	-	11,320	-
At the end of the financial year	1,416,288	1,133,288	247,415	236,095

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

During the financial year, the Company issued 283,000,000 new ordinary shares of RM0.04 each for total consideration of RM11,320,000 for working capital purposes.

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

16. OTHER RESERVES

		Group	
		2026	2025
	Note	RM'000	RM'000
Foreign currency translation reserve	(a)	5,075	6,082
Revaluation reserve	(b)	102,703	106,895
		107,778	112,977

(a) Foreign currency translation reserve

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

(b) Revaluation reserve

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

17. LOANS AND BORROWINGS

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Non-current:					
Term loans	(a)	26,477	34,477	26,400	32,400
Hire purchase payable	(b)	133	-	-	-
		26,610	34,477	26,400	32,400
Current:					
Term loans	(a)	16,100	16,170	13,100	13,170
Hire purchase payable	(b)	30	-	-	-
Bank overdrafts	(c)	19,672	21,738	9,991	11,720
Revolving credit	(c)	5,000	5,000	5,000	5,000
		40,802	42,908	28,091	29,890
Total loans and borrowings:					
Term loans	(a)	42,577	50,647	39,500	45,570
Hire purchase payable	(b)	163	-	-	-
Bank overdrafts	(c)	19,672	21,738	9,991	11,720
Revolving credit	(c)	5,000	5,000	5,000	5,000
		67,412	77,385	54,491	62,290

(a) Term loans

Term loan 1 of the Company of RM37,600,000 (2025: RM41,500,000) from a financial institution for a period of 13 years is to refinance the overdraft and term loan. The repayment is by instalment commencing upon expiry of the 12 months grace period from the date of first drawdown. The effective interest rate is at 0.50% per annum above the Bank's Cost of Funds and is secured as follows:

(i) Legal charge over properties of a subsidiary as disclosed in Note 5 and Note 6(a) to the financial statements;
(ii) Legal charge over certain inventories of its subsidiaries as disclosed in Note 8 to the financial statements;
(iii) Debenture over fixed and floating assets;
(iv) Assignment over Debt Service Reserve Account ("DSRA") to be maintained with bank as disclosed in Note 13 to the financial statements; and
(v) Corporate guarantee by a subsidiary of the Company.

Term loan 2 of the Company of RM1,900,000 (2025: RM4,070,000) from a financial institution for a period of 3 years is to refinance the term loan and working capital. The repayment is by instalment commencing upon expiry of the 6 months grace period from the date of first drawdown. The effective interest rate is at 10% (2025: 10%) per annum and is secured over certain inventories of its subsidiaries as disclosed in Note 8 to the financial statements.

17. **LOANS AND BORROWINGS (CONTINUED)**

(a) **Term loans (continued)**

Term loan 3 of a subsidiary of RM3,077,000 (2025: RM5,077,000) from a financial institution is to finance refurbishment and maintenance and repair related cost at Avillion Port Dickson Resort. The repayment is by instalment commencing in July 2025. The interest rate is at 0.50% per annum above the Bank's Cost of Funds and it is secured and supported as follows:

(i) Legal charge over a freehold land of the subsidiary as disclosed in Note 5 to the financial statements;
(ii) Debenture over fixed and floating assets of the subsidiary as disclosed in Note 6 to the financial statements; and
(iii) Corporate guarantee by the Company.

(b) **Hire purchase payable**

	Group	
	2026	**2025**
	RM'000	**RM'000**
Minimum lease payments:		
Not later than 1 year	37	-
Later than 1 year and not later than 5 years	144	-
	181	-
Less: Future finance charges	(18)	-
Present value of minimum lease payments	163	-
Present value of minimum lease payments:		
Not later than 1 year	30	-
Later than 1 year and not later than 5 years	133	-
	163	-
Less: Amount due within 12 months	(30)	-
Amount due after 12 months	133	-

Hire purchase payable of the Group bears interest at rate of 4.11% (2025: Nil) per annum and is secured by the Group's motor vehicle under hire purchase arrangements.

(c) **Bank overdrafts and revolving credit**

Bank overdrafts and revolving credit bear interest at rates ranging from 7.13% to 8.20% (2025: 7.13% to 8.20%) and 6.31% to 10.62% (2025: 6.31% to 10.62%) respectively and are secured by way of:

(i) Legal charge over certain inventories of the subsidiaries as disclosed in Note 8 to the financial statements;
(ii) Legal charge over certain leasehold lands of the subsidiaries as disclosed in Note 6(a) to the financial statements;
(iii) Legal charge over certain investment properties of the subsidiaries as disclosed in Note 7 to the financial statements;
(iv) Corporate guarantee by the Company and a subsidiary of the Group; and
(v) Pledge of short-term deposits as disclosed in Note 13 to the financial statements.

18. DEFERRED TAX LIABILITIES

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

	Revaluation of land and buildings RM'000	Property, plant and equipment RM'000	Other items RM'000	Total RM'000
Deferred tax liabilities				
Group				
At 1 April 2024	33,294	5,150	(60)	38,384
Recognised in other comprehensive loss	(17)	-	-	(17)
Recognised in profit or loss	(1,588)	1,157	(792)	(1,223)
At 31 March 2025	31,689	6,307	(852)	37,144
Recognised in other comprehensive income	37	-	-	37
Recognised in profit or loss	(1,599)	(126)	78	(1,647)
At 31 March 2026	30,127	6,181	(774)	35,534

Unrecognised deferred tax assets

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

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Unused tax losses	57,056	50,103	25,081	19,351
Unabsorbed capital allowance	270	44	71	44
Other temporary differences	(204)	346	(23)	(6)
	57,122	50,493	25,129	19,389
Potential deferred tax assets not recognised at 24% (2025: 24%)	13,709	12,118	6,031	4,653

18. DEFERRED TAX LIABILITIES (CONTINUED)

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

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Unused tax losses arising from local entities				
Year of assessment				
2028	18,660	18,994	7,927	7,927
2029	2,776	2,776	1,426	1,426
2030	2,063	2,063	114	114
2031	1,038	1,038	528	528
2032	2,354	2,354	651	651
2033	3,526	3,526	1,108	1,108
2034	2,046	2,046	1,521	1,521
2035	6,530	6,530	6,076	6,076
2036	7,426	-	5,730	-
	46,419	39,327	25,081	19,351
Unused tax losses arising from foreign entities				
No expiry period	10,637	10,776	-	-
	57,056	50,103	25,081	19,351

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

The foreign subsidiaries have deferred tax assets in respect of unused tax losses of RM10,637,000 (2025: RM10,776,000) to carry forward for offset against future taxable income subject to compliance with the relevant sections of the Income Tax Act and agreement of the tax authorities. These unutilised tax losses have no expiry date.

19. TRADE AND OTHER PAYABLES

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Current:				
Trade				
Trade payables	6,478	6,472	-	-
Retention sum	163	328	-	-
	6,641	6,800	-	-
Non-trade				
Other payables	7,750	7,669	3,181	3,122
Accruals	5,300	4,560	533	440
Deposit payables	2,858	3,174	2,000	2,000
Sales and Service taxes ("SST") payable	90	85	-	-
Amount owing to shareholder and director	6,253	-	6,253	-
	22,251	15,488	11,967	5,562
	28,892	22,288	11,967	5,562

(a) Trade payables are non-interest bearing and are normally settled within 30 days to 90 days (2025: 30 days to 90 days).

(b) The retention sums which are payable upon the expiry of defect liability period are expected to be settled within one year after the reporting date.

(c) Amount owing to a shareholder and director is unsecured, non-interest bearing, repayable upon demand and is expected to be settled in cash.

20. CONTRACT LIABILITIES

	Group	
	2026 RM'000	2025 RM'000
Contract liabilities relating to property development contracts	1,146	1,536
Contract liabilities relating to hotel and resort management	1,562	2,884
	2,708	4,420

20. CONTRACT LIABILITIES (CONTINUED)

(a) Significant changes in contract balances

	Group Contract liabilities (Increase)/decrease 2026 RM'000	2025 RM'000
Revenue recognised that was included in contract liabilities at the beginning of the financial year	3,274	1,580
Increase due to consideration received from customers, but revenue not recognised	(1,562)	(2,884)

(b) Contract liabilities

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

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

21. REVENUE

		Group		Company	
	Note	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Revenue from contract customers:					
Hotel and resort management		31,482	33,011	-	-
Property development		13,074	12,564	-	-
Tours operations and other travel related services		10,627	12,907	-	-
	(a)	55,183	58,482	-	-
Revenue from other source:					
Management fees		-	-	960	960
		55,183	58,482	960	960
Timing of revenue recognition:	(a)				
At a point in time		23,312	21,945	-	-
Over time		31,871	36,537	-	-
		55,183	58,482	-	-

21. REVENUE (CONTINUED)

(a) Disaggregation of revenue

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

For information about disaggregation of revenue into primary geographical market, refer to Note 30 to the financial statements.

(b) Transaction price allocated to the remaining performance obligations

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

22. COST OF SALES

	Group	
	2026 RM'000	2025 RM'000 (Restated)
Hotel and resort management	11,326	10,067
Property development	6,937	6,349
Tours operations and other travel related services	9,810	10,958
	28,073	27,374

23. FINANCE INCOME

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Interest income from short-term deposits	49	39	10	-
Interest income on amounts owing by subsidiaries measured at amortised cost	-	-	2,065	2,025
	49	39	2,075	2,025

24. FINANCE COSTS

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Interest expenses on:				
- term loans	2,775	3,293	2,508	2,922
- bank overdrafts	1,667	1,740	914	948
- revolving credit	317	370	317	370
- lease liabilities	122	246	-	-
- hire purchase payable	- *	- *	-	-
Accretion of interest for amount owing by a subsidiary measured at amortised cost	-	-	-	1,681
	4,881	5,649	3,739	5,921

* *Representing amount less than RM1,000.*

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25. LOSS BEFORE TAX

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

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
After charging:				
Auditors' remuneration:				
- statutory audit:				
- Baker Tilly Monteiro Heng PLT	331	311	100	91
- other auditors	82	89	-	-
- non-statutory audit:				
- Baker Tilly Monteiro Heng PLT	8	6	6	6
Amortisation of intangible assets	2	6	-	-
Bad debts written off	23	-	-	-
Depreciation of:				
- investment properties	42	43	-	-
- property, plant and equipment	8,268	8,286	12	40
- right-of-use assets	3,040	2,985	-	-
Directors' remuneration:				
- fees	276	241	276	241
- other emoluments	513	502	464	502
- defined contribution plans	35	58	35	58
Expenses relating to short-term and low value assets leases	405	451	131	131
Impairment losses on:				
- loans that are part of net investments	-	-	-	15,447
- property, plant and equipment	4,879	801	-	-
- trade receivables	24	-	-	-
Loss on termination of lease contracts	-	99	-	-
Written off of property, plant and equipment	38	5	-	-
Staff costs:				
- short-term benefits	15,851	15,811	1,319	1,313
- defined contribution plans	1,426	1,370	148	104
After crediting:				
Gain on disposal of:				
- asset classified as held for sale	(3)	-	-	-
- investment properties	-	(15)	-	-
Net impairment gain on financial instruments	-	(64)	-	-
Net unrealised foreign exchange gain	(958)	(691)	(958)	(691)
Reversal of impairment loss on property, plant and equipment	(652)	-	-	-

AVILLION BERHAD

26. INCOME TAX CREDIT

The major components of income tax credit for the financial years ended 31 March 2026 and 31 March 2025 are as follows:

	Group	
	2026	**2025**
	RM'000	**RM'000**
Statements of comprehensive income		
Current income tax:		
- Current income tax charge	(794)	(1,054)
- Adjustments in respect of prior year	(524)	9
	(1,318)	(1,045)
Deferred tax:		
- Current year	1,506	2,180
- Adjustments in respect of prior year	141	(957)
	1,647	1,223
Income tax credit recognised in profit or loss	329	178

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% (2025: 24%) of the estimated assessable profit for the financial year. Taxation for other jurisdictions is calculated at the rate prevailing in the respective jurisdiction.

26. INCOME TAX CREDIT (CONTINUED)

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

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Loss before tax	(15,212)	(9,018)	(3,371)	(20,630)
Tax at Malaysian statutory income tax rate of 24% (2025: 24%)	3,651	2,164	809	4,951
Different tax rates in other countries	(44)	9	-	-
Tax effects arising from:				
- Non-deductible expenses	(3,968)	(1,374)	(159)	(4,152)
- Income not subject to tax	1,156	-	728	652
- Origination of deferred tax assets not recognised	(1,685)	(1,673)	(1,378)	(1,451)
- Utilisation of previously unrecognised tax losses and other temporary differences	94	449	-	-
- Crystallisation of deferred tax liabilities	1,598	1,551	-	-
- Real Property Gains Tax	(90)	-	-	-
- Adjustment in respect of prior years:				
- income tax	(524)	9	-	-
- deferred tax	141	(957)	-	-
Income tax credit	329	178	-	-

27. LOSS PER SHARE

(a) Basic loss per ordinary share

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

	Group	
	2026	2025
Loss attributable to ordinary equity holders of the Company (RM'000)	(13,777)	(6,708)
Weighted average number of ordinary shares in issue (unit '000)	1,313,167	1,133,288
Basic loss per ordinary share attributable to ordinary equity holders of the Company (sen)	(1.05)	(0.59)

27. LOSS PER SHARE (CONTINUED)

(b) Diluted loss per ordinary share

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

The diluted loss per ordinary share is equal to basic loss per ordinary share as there are no dilutive potential ordinary share(s).

28. RELATED PARTIES

(a) Identification of related parties

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

Related parties of the Group include:

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

(b) Significant related party transactions

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

	Company	
	2026 RM'000	2025 RM'000
Subsidiaries		
Management fee receivable/received	960	960

The Company provides secured corporate guarantees to banks in respect of banking facilities granted to the subsidiaries as disclosed in Note 29(b)(i) to the financial statements.

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28. RELATED PARTIES (CONTINUED)

(c) Compensation of key management personnel

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Short-term employee benefits	1,750	1,284	1,221	809
Contributions to Employees' Provident Fund	181	148	119	92
	1,931	1,432	1,340	901

29. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

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

	Carrying amount RM'000	Amortised cost RM'000
Group		
2026		
Financial assets		
Trade and other receivables *	3,737	3,737
Cash and short-term deposits	7,104	7,104
	10,841	10,841
Financial liabilities		
Loans and borrowings	(67,412)	(67,412)
Trade and other payables ^	(28,802)	(28,802)
	(96,214)	(96,214)
2025		
Financial assets		
Trade and other receivables *	4,439	4,439
Cash and short-term deposits	5,240	5,240
	9,679	9,679
Financial liabilities		
Loans and borrowings	(77,385)	(77,385)
Trade and other payables ^	(22,203)	(22,203)
	(99,588)	(99,588)

* *Excludes GST refundable.*
^ *Excludes SST payable.*

29. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Categories of financial instruments (continued)

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

	Carrying amount RM'000	Amortised cost RM'000
Company		
2026		
Financial assets		
Trade and other receivables	10	10
Amounts owing by subsidiaries	5,566	5,566
Cash and short-term deposits	5,080	5,080
	10,656	10,656
Financial liabilities		
Loans and borrowings	(54,491)	(54,491)
Trade and other payables	(11,967)	(11,967)
Amounts owing to subsidiaries	(67,450)	(67,450)
	(133,908)	(133,908)
2025		
Financial assets		
Trade and other receivables	10	10
Amounts owing by subsidiaries	714	714
Cash and short-term deposits	2,764	2,764
	3,488	3,488
Financial liabilities		
Loans and borrowings	(62,290)	(62,290)
Trade and other payables	(5,562)	(5,562)
Amounts owing to subsidiaries	(66,818)	(66,818)
	(134,670)	(134,670)

29. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management

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

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

(i) Credit risk

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

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

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

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

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

29. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

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

Trade receivables

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

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

Credit risk concentration profile

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

	Group			
	2026		2025	
	RM'000	%	RM'000	%
Trade receivables				
Hotel	1,415	53%	783	15%
Property development	948	36%	1,434	66%
Travel and tours	291	11%	258	19%
	2,654	100%	2,475	100%

29. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Trade receivables (continued)

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

	Gross carrying amount RM'000	Impairment loss RM'000	Net balances RM'000
Group			
Trade receivables			
2026			
Current (not past due)	715	-	715
1 - 30 days past due	71	-	71
31 to 60 days past due	467	-	467
61 to 90 days past due	528	-	528
More than 90 days past due	1,210	(337)	873
	2,991	(337)	2,654
2025			
Current (not past due)	1,105	-	1,105
1 - 30 days past due	150	-	150
31 to 60 days past due	48	-	48
61 to 90 days past due	241	-	241
More than 90 days past due	1,244	(313)	931
	2,788	(313)	2,475

Other receivables and other financial assets

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

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

29. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Other receivables and other financial assets (continued)

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

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

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

Financial guarantee contracts

The Company is exposed to credit risk in relation to financial guarantees given to banks in respect of credit facilities granted to certain subsidiaries. The Company monitors the results of the subsidiaries and their repayment on an on-going basis. The maximum exposure to credit risks amounts to RM12,281,000 (2025: RM14,606,000) representing the maximum amount the Company could pay if the guarantee is called on as disclosed in Note 29(b)(ii) to the financial statements. As at the reporting date, there was no loss allowance for impairment as determined by the Company for the financial guarantee.

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

29. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(ii) Liquidity risk

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

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

As disclosed in Note 2.6 to the financial statements, the Group and the Company assess the liquidity position and the viability of the Group’s and of the Company’s funding plans to meet the repayment obligations of its borrowings and other current liabilities which are due in next 12 months and the ability of the Group and of the Company to continue as a going concern will be dependent on:

(a) The Group’s efforts to continue to roll out innovative and attractive packages to further improve the occupancy and revenue of the hotel division;
(b) Disposal of low and/or non-yielding lands;
(c) Intensify sales and marketing efforts to sell the remaining units from the current development project and completed properties;
(d) Continuity and extension of banking facilities granted by financial institutions;
(e) Potential immediate sale of certain land classified under inventories of the Group; and
(f) Group restructuring and fund-raising exercises.

29. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(ii) Liquidity risk (continued)

Maturity analysis

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

		<--------- Contractual cash flows --------->			
	Carrying amounts RM'000	On demand or within 1 year RM'000	1 to 5 years RM'000	More than 5 years RM'000	Total RM'000
Financial liabilities					
Group					
2026					
Trade and other payables *	28,802	28,802	-	-	28,802
Term loans	42,577	17,860	28,725	-	46,585
Bank overdrafts	19,672	21,241	-	-	21,241
Revolving credit	5,000	5,300	-	-	5,300
Hire purchase payable	163	37	144	-	181
Lease liabilities	368	369	-	-	369
	96,582	73,609	28,869	-	102,478
2025					
Trade and other payables *	22,203	22,203	-	-	22,203
Term loans	50,647	17,404	39,760	12,523	69,687
Bank overdrafts	21,738	23,484	-	-	23,484
Revolving credit	5,000	5,300	-	-	5,300
Lease liabilities	2,827	2,595	321	-	2,916
	102,415	70,986	40,081	12,523	123,590

29. **FINANCIAL INSTRUMENTS (CONTINUED)**

(b) **Financial risk management (continued)**

(ii) **Liquidity risk (continued)**

Maturity analysis (continued)

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

		<--------- Contractual cash flows --------->			
	Carrying amounts RM'000	**On demand or within 1 year RM'000**	**1 to 5 years RM'000**	**More than 5 years RM'000**	**Total RM'000**
Financial liabilities					
Company					
2026					
Trade and other payables	11,967	11,967	-	-	11,967
Term loans	39,500	14,847	28,648	-	43,495
Bank overdrafts	9,991	10,811	-	-	10,811
Revolving credit	5,000	5,300	-	-	5,300
Amounts owing to subsidiaries	67,450	21,795	53,593	-	75,388
Financial guarantees contracts	-	12,281	-	-	12,281
	133,908	77,001	82,241	-	159,242
2025					
Trade and other payables	5,562	5,562	-	-	5,562
Term loans	45,570	15,383	36,676	12,523	64,582
Bank overdrafts	11,720	12,680	-	-	12,680
Revolving credit	5,000	5,300	-	-	5,300
Amounts owing to subsidiaries	66,818	24,614	48,077	-	72,691
Financial guarantees contracts	-	14,606	-	-	14,606
	134,670	78,145	84,753	12,523	175,421

* *Excludes SST payable.*

29. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(iii) Foreign currency risk

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

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

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

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

	Denominated in		
	SGD RM'000	**HKD RM'000**	**Total RM'000**
Group			
Financial assets and liabilities not held in functional currencies:			
2026			
Cash and short-term deposits	-	2	2
2025			
Cash and short-term deposits	-	2	2
Company			
Financial assets and liabilities not held in functional currencies:			
2026			
Cash and short-term deposits	-	2	2
Amounts owing to subsidiaries	(4,737)	(6,746)	(11,483)
Net exposure	(4,737)	(6,744)	(11,481)
2025			
Cash and short-term deposits	-	2	2
Amounts owing to subsidiaries	(5,013)	(7,448)	(12,461)
Net exposure	(5,013)	(7,446)	(12,459)

29. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(iii) Foreign currency risk (continued)

Sensitivity analysis for foreign currency risk

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

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

	Change in rate	Effect on profit or loss for the financial year 2026 RM'000	2025 RM'000
Group			
- HKD	+ 10%	- *	- *
	- 10%	- *	- *
Company			
- SGD	+ 10%	(360)	(381)
	- 10%	360	381
- HKD	+ 10%	(513)	(566)
	- 10%	513	566

* *Representing amount less than RM1,000.*

29. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(iv) Interest rate risk

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

Sensitivity analysis for interest rate risk

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

	Change in basis points	Effect on profit/(loss) for the financial year RM'000	Effect on equity RM'000
Group			
31 March 2026	+ 100	497	497
	- 100	(497)	(497)
31 March 2025	+ 100	557	557
	- 100	(557)	(557)
Company			
31 March 2026	+ 100	400	400
	- 100	(400)	(400)
31 March 2025	+ 100	442	442
	- 100	(442)	(442)

29. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value measurement

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

There have been no transfers between Level 1 and Level 2 during the financial year (2025: no transfer in either direction).

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

	Carrying amount Total RM'000	Fair value of financial statements not carried at fair value Fair value Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Company					
31 March 2026					
Financial liabilities					
Amount owing to a subsidiary	(47,655)	-	-	(47,655)	(47,655)
31 March 2025					
Financial liabilities					
Amount owing to a subsidiary	(50,204)	-	-	(50,204)	(50,204)

Level 3 fair value

Fair value of financial instruments not carried at fair value

The fair value of the amount owing to a subsidiary is determined using the discounted cash flows method based on discount rates that reflect the issuer's borrowing rate as at the end of the reporting period.

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

30. SEGMENT INFORMATION

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

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

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

Factors used to identify reportable segments

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

Inter-segment pricing is determined on a negotiated basis.

Segment profit

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

Segment assets

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

Segment liabilities

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

30. SEGMENT INFORMATION (CONTINUED)

	Note	Hotel management Malaysia RM'000	Hotel management Overseas RM'000	Property development RM'000	Travel Malaysia RM'000	Travel Overseas RM'000	Support services and group management RM'000	Elimination RM'000	Total RM'000
Group									
2026									
Revenue									
External customer		31,399	83	13,074	-	10,627	-	-	55,183
Inter-segment	A	3,655	-	-	-	-	1,453	(5,108)	-
		35,054	83	13,074	-	10,627	1,453	(5,108)	55,183
Results									
Segment loss	B	(3,640)	(234)	(5,842)	(24)	(396)	(5,076)	-	(15,212)
Loss before tax		(3,640)	(234)	(5,842)	(24)	(396)	(5,076)	-	(15,212)
Income tax credit/(expense)		489	(24)	(61)	11	-	(86)	-	329
Loss for the financial year		(3,151)	(258)	(5,903)	(13)	(396)	(5,162)	-	(14,883)
Income:									
Gain on disposal of asset classified as held for sale		-	-	-	(3)	-	-	-	(3)
Interest income		-	-	(19)	-	(20)	(2,075)	2,065	(49)
Net unrealised foreign exchange gain		-	-	-	-	-	(958)	-	(958)
Reversal of impairment loss on property, plant and equipment		(652)	-	-	-	-	-	-	(652)

30. SEGMENT INFORMATION (CONTINUED)

	Note	Hotel management		Property	Travel		Support services and group		
		Malaysia RM'000	Overseas RM'000	development RM'000	Malaysia RM'000	Overseas RM'000	management RM'000	Elimination RM'000	Total RM'000
Group									
2026									
Expense:									
Amortisation of intangible assets		2	-	-	-	-	-	-	2
Bad debts written off		-	-	23	-	-	-	-	23
Depreciation of:									
- investment properties		-	-	42	-	-	-	-	42
- property, plant and equipment		6,853	32	1,365	-	3	15	-	8,268
- right-of-use assets		2,647	-	393	-	-	-	-	3,040
Finance costs		3,120	-	57	-	30	3,739	(2,065)	4,881
Impairment loss on:									
- property, plant and equipment		-	-	4,879	-	-	-	-	4,879
- trade receivables		24	-	-	-	-	-	-	24
Written off of property, plant and equipment		29	-	-	-	9	-	-	38
Segment assets	C	225,993	340	367,930	107	14,339	230,114	(492,054)	346,769
Additions to non-current assets (other than financial instruments and deferred tax assets):									
- Property, plant and equipment		1,155	-	646	-	-	43	-	1,844
- Right-of-use assets		213	-	-	-	-	-	-	213
		1,368	-	646	-	-	43	-	2,057

30. SEGMENT INFORMATION (CONTINUED)

	Note	Hotel management Malaysia RM'000	Hotel management Overseas RM'000	Property development RM'000	Travel Malaysia RM'000	Travel Overseas RM'000	Support services and group management RM'000	Elimination RM'000	Total RM'000
Group									
2025									
Revenue									
External customers		32,483	528	12,564	-	12,907	-	-	58,482
Inter-segment	**A**	3,945	-	-	-	-	1,477	(5,422)	-
		36,428	528	12,564	-	12,907	1,477	(5,422)	58,482
Results									
Segment (loss)/profit	**B**	(2,547)	189	42	647	(486)	(6,863)	-	(9,018)
(Loss)/Profit before tax		(2,547)	189	42	647	(486)	(6,863)	-	(9,018)
Income tax credit/(expense)		249	(52)	(15)	2	-	(6)	-	178
(Loss)/Profit for the financial year		(2,298)	137	27	649	(486)	(6,869)	-	(8,840)
Income:									
Gain on disposal of investment properties		-	-	(15)	-	-	-	-	(15)
Interest income		(1,682)	- *	(14,652)	-	(20)	(2,025)	18,340	(39)
Net unrealised foreign exchange gain		-	-	-	-	-	(691)	-	(691)
Reversal of impairment losses on trade receivables		-	-	(64)	-	-	-	-	(64)

30. SEGMENT INFORMATION (CONTINUED)

	Note	Hotel management Malaysia RM'000	Hotel management Overseas RM'000	Property development RM'000	Travel Malaysia RM'000	Travel Overseas RM'000	Support services and group management RM'000	Elimination RM'000	Total RM'000
Group									
2025									
Expense:									
Amortisation of intangible assets		6	-	-	-	-	-	-	6
Depreciation of:									
- investment properties		-	-	43	-	-	-	-	43
- property, plant and equipment		6,894	32	1,275	17	24	44	-	8,286
- right-of-use assets		2,477	42	393	-	73	-	-	2,985
Finance costs		1,301	9	14,692	-	41	7,946	(18,340)	5,649
Impairment loss on property, plant and equipment		801	-	-	-	-	-	-	801
Written off of property, plant and equipment		3	-	2	-	-	-	-	5
Segment assets	**C**	231,724	433	371,633	8,698	15,442	214,417	(481,232)	361,115
Additions to non-current assets (other than financial instruments and deferred tax assets):									
- property, plant and equipment		723	12	275	-	1	-	-	1,011
- right-of-use assets		118	-	-	-	243	-	-	361
		841	12	275	-	244	-	-	1,372

* *Representing amount less than RM1,000.*

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30. SEGMENT INFORMATION (CONTINUED)

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

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

A Inter-segment revenue

Inter-segment revenues are eliminated on consolidation.

B Reconciliation of profit or loss

	Group	
	2026 RM'000	2025 RM'000
Elimination of inter-segment unrealised profit	723	51,929

C Reconciliation of assets

	Group	
	2026 RM'000	2025 RM'000
Inter-segment assets	(492,054)	(481,232)

Geographical information

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

	Hotel management RM'000	Property development RM'000	Travel RM'000	Total revenue RM'000	Total non-current assets RM'000
2026					
Malaysia	31,399	13,074	-	44,473	257,450
Hong Kong	-	-	10,627	10,627	-
Singapore	-	-	-	-	-
Indonesia	83	-	-	83	13,391
	31,482	13,074	10,627	55,183	270,841
2025					
Malaysia	32,483	12,564	-	45,047	271,610
Hong Kong	-	-	10,328	10,328	-
Singapore	-	-	2,579	2,579	13
Indonesia	528	-	-	528	400
	33,011	12,564	12,907	58,482	272,023

30. SEGMENT INFORMATION (CONTINUED)

Information about major customers

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

31. CAPITAL MANAGEMENT

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

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

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

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

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Loans and borrowings	67,412	77,385	54,491	62,290
Less: Cash and short-term deposits	(7,104)	(5,240)	(5,080)	(2,764)
Net debts	60,308	72,145	49,411	59,526
Total equity	211,460	214,237	75,287	67,338
Debt-to-equity ratio (%)	29	34	66	88

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

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

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

32. RECLASSIFICATION OF COMPARATIVE FIGURES

(a) During the financial year, the management reviewed the nature of certain front office direct payroll costs and concluded that these costs are directly attributable to revenue-generating activities. Accordingly, the comparative figures have been reclassified from administrative expenses to cost of sales to better reflect the nature of the expenses.

The presentation and classification of items in the current year's financial statements are consistent with the previous financial year except certain comparative figures have been restated to conform with current year's presentation.

(b) The audited financial statements of the Group for the financial year ended 31 March 2025 were restated during the financial year as follows:

	As previously reported RM'000	Adjustments RM'000	As restated RM'000
Group			
Statements of comprehensive income			
For the financial year ended 31 March 2025			
Cost of sales	(20,791)	(6,583)	(27,374)
Administrative expenses	(39,578)	6,583	(32,995)

STATEMENT BY **DIRECTORS**

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

We, **DATUK LIM CHAI HOCK** and **YEO TEK LING**, being two of the directors of **AVILLION BERHAD**, do hereby state that in the opinion of the directors, the accompanying financial statements set out on pages 82 to 161 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 2026 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 LIM CHAI HOCK
Director

……………………………………………………………….

YEO TEK LING
Director

Date: 30 July 2026

STATUTORY **DECLARATION**

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

I, **YEO TEK LING**, being the director primarily responsible for the financial management of **AVILLION BERHAD**, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements set out on pages 82 to 161 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.

…………………………………..
YEO TEK LING
(MIA Membership No.: 5756)
Director

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on 30 July 2026.

Before me,

…………………………………..
Commissioner for Oaths
Hadinur Mohd Syarif W761

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF AVILLION BERHAD

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of Avillion Berhad, which comprise the statements of financial position as at 31 March 2026 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 82 to 161.

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 2026, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Material Uncertainty Related to Going Concern

We draw attention to Note 2.6 to the financial statements, which disclosed that the Group and the Company incurred a net loss of RM14,883,000 and RM3,371,000 during the financial year ended 31 March 2026 and recorded negative cash and cash equivalents of RM13,232,000 and RM4,911,000 respectively, and as at that date, the Company's current liabilities exceeded its current assets by RM51,081,000, thereby indicating the existence of a material uncertainty which may cast significant doubt about the Group's and the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Group

Inventories (Note 4(b) and Note 8 to the financial statements)

The Group has significant balances of completed properties and properties held for development as at 31 March 2026.

We focused on this area because the review of saleability and the assessment of the net realisable value of these completed properties and properties held for development by the directors are a major source of estimation uncertainty.

Our response:

Our audit procedures include, among others:

- understanding the assumption used by the directors in determining the value of completed properties and properties held for development;
- comparing the recent transacted prices of comparable properties;
- performing site visits on selected properties to ascertain the condition;
- checking subsequent sales and evaluating directors' assessment on estimated net realisable value on selected inventory items; and
- discussing with the Group whether the inventories have been written down to their net realisable value for inventory items with net realisable value lower than their cost.

Company

We have determined that there are no key audit matters to communicate in our report which arose from the audit of the financial statements of the Company.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

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.

Auditors' Responsibilities for 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:

- 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 of 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.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes 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.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 10 to the financial statements.

Other Matters

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

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

Ng Zu Wei
No. 03545/12/2026 J
Chartered Accountant

Kuala Lumpur

Date: 30 July 2026

DISCLOSURE OF **FINANCIAL DATA FOR SHARIAH SCREENING**

Pursuant to Paragraph 9.25A of the Main Market Listing Requirements, below are the financial data that are relevant for the purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(A) Group Total Income and Total Assets

		Group	
		2026	**2025**
Total Income	**Remarks**	**(RM'000)**	**(RM'000)**
Revenue		55,183	58,482
Interest income		2,217	861
Finance income		49	39
Total		**57,449**	**59,382**
Total Assets		**346,769**	**361,115**

(B) Business Activities

		Group	
		2026	**2025**
Shariah Non-Compliant Activities	**Remarks**	**(RM'000)**	**(RM'000)**
Interest income		49	39
Liquor and liquor-related activities		136	71
Total		**185**	**110**

(C) Component of Financial Position

(i) Cash Component

		Group	
		2026	**2025**
Conventional Account/Instruments	**Remarks**	**(RM'000)**	**(RM'000)**
Cash held under Conventional Housing Development Accounts		189	187
Short-term deposits		598	640
Cash at bank (exclude cash in hand)		6,392	4,529
Total		**7,179**	**5,356**

(ii) Debt Component

		Group	
		2026	**2025**
Conventional Borrowing	**Remarks**	**(RM'000)**	**(RM'000)**
Current			
Amount due to shareholder		6,253	-
Term loans		16,100	16,170
Hire purchase payables		30	-
Bank overdrafts		19,672	21,738
Revolving credit		5,000	5,000
Non-Current			
Term loans		26,477	34,477
Hire purchase payables		133	-
Total		**73,665**	**77,385**

LIST OF TOP 12 **PROPERTIES**

No	Location	Description / Existing Use	Tenure	Age of Building	Land Area (sq. ft.)	Valuation Value/ Book Value (RM'000)	Revaluation Date/ Date of Acquisition
Avillion Hotel, Port Dickson							
1a.	Lot 1273, 3rd Mile, Mukim Si Rusa, Daerah Port Dickson, Negeri Sembilan	Consists of hotel, water villas, water chalets, meeting rooms, spa, F&B outlets and other facilities	Freehold	29 years	15,518	150,000	13.05.2026
1b.	PN28986 Lot 6165, 3rd Mile, Mukim Si Rusa, Daerah Port Dickson, Negeri Sembilan.		Leasehold (99 years expiry -2095)	28 years	263,285		
1c.	H.S. (D) 15353 PT 3379, 3rd Mile, Mukim Si Rusa, Daerah Port Dickson, Negeri Sembilan.		Leasehold (99 years expiry -2095)		219,046		
1d.	PN25398 Lot 5822, 3rd Mile, Mukim Si Rusa, Daerah Port Dickson, Negeri Sembilan.		Leasehold (99 years expiry - 2096)		61,548		
2	Lot 312, 3rd Mile, Mukim Si Rusa, Daerah Port Dickson, Negeri Sembilan	Car Parks	Freehold		124,420	6,350	
Admiral Cove, Port Dickson							
3	PN11193 Lot 6098 & PN 11274 Lot6159, 5th Mile, Mukim Si Rusa, Daerah Port Dickson, Negeri Sembilan.	Admiral Cove Premier Integrated Marina Resort	Leasehold (99 years expiry-2094)	28 years	969,753	65,000	18.05.2026
4	PN11178 Lot 6095, 5th Mile, Mukim Si Rusa, Daerah Port Dickson, Negeri Sembilan.	Team building and Car Parks	Leasehold (99 years expiry-2094)	-	106,692	5,300	15.05.2019
5	H.S.(D) 18699 PT 3413, Mukim Si Rusa, Daerah Port Dickson, Negeri Sembilan.	Sealand for development	Leasehold (99 years expiry-2097)	-	1,077,263	10,800	15.05.2026

No	Location	Description / Existing Use	Tenure	Age of Building	Land Area (sq. ft.)	Valuation Value/ Book Value (RM'000)	Revaluation Date/ Date of Acquisition
6	H.S.(D) 18698 PT 3412, Mukim Si Rusa, Daerah Port Dickson, Negeri Sembilan.	Land for development	Leasehold (99 years expiry-2097)	-	226,440	8,600	15.05.2026
7	PN53899 Lot 6098, 5th Mile, Mukim Bandar Teluk Kemang, Daerah Port Dickson, Negeri Sembilan	Land for development	Leasehold (99 years expiry-2102)	-	475,226	20,000	13.05.2026
Port Dickson							
8	Geran 52795 Lot 307 , Mukim Si Rusa, Daerah Port Dickson, Negeri Sembilan	Land for development	Freehold	-	145,657	9,500	13.05.2026
9	Geran 239972 Lot 5823, Mukim Si Rusa, Daerah Port Dickson, Negeri Sembilan	Car Parks	Freehold	-	40,300	2,500	05.07.2024
Kuala Lumpur							
10a	Geran Mukim 815, No. Lot 2694, Mukim Setapak, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan KL	Land for development	Freehold	-	68,028		
10b	Geran Mukim 816, No. Lot 2695, Mukim Setapak, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan KL.	Land for development	Freehold	-	61,247		
10c	Geran Mukim 814, No. Lot 2696, Mukim Setapak, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan KL.	Land for development	Freehold	-	66,736	22,800	03.07.2024
10d	Geran Mukim 817, No. Lot 2697, Mukim Setapak, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan KL.	Land for development	Freehold	-	65,337		
10e	Geran Mukim 818, No. Lot 2698, Mukim Setapak, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan KL.	Land for development	Freehold	-	63,938		

No	Location	Description / Existing Use	Tenure	Age of Building	Land Area (sq. ft.)	Valuation Value/ Book Value (RM'000)	Revaluation Date/ Date of Acquisition
Langkawi							
11	Geran 211387 Lot 60074, Mukim Kedawang, District of Langkawi, Kedah	Land for development	Freehold	-	478,041	38,000	11.05.2026
Bali, Indonesia							
12	SHM No. 2354, 2572 & 2570, Jalan Danau Tamblingan, No.75A Kelurahan Sanur, Kecamatan Denpasar Selatan, Kota Denpasar, Provinsi Bali	Consists of villas, F&B outlets and other facilities	Freehold	-	45,972	11,240	19.05.2025

AVILLION BERHAD

ANALYSIS OF **SHAREHOLDINGS**

AS AT 30 JUNE 2026

Issued Share Capital	:	RM 247,415,000.00
Total Number of Issued Shares	:	1,416,288,100 ordinary shares
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote per ordinary share held

DISTRIBUTION OF SHAREHOLDINGS AS AT 30 JUNE 2026

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shares Held
less than 100	640	11.03	15,953	0.00
100 to 1,000	863	14.87	339,247	0.02
1,001 to 10,000	1,647	28.39	10,115,501	0.71
10,001 to 100,000	2,031	35.01	79,700,618	5.63
100,001 to 56,664,404 (*)	618	10.65	653,741,116	46.16
56,664,405 AND ABOVE (**)	3	0.05	672,375,665	47.48
TOTAL	**5,802**	**100.00**	**1,416,288,100**	**100.00**

REMARKS : * LESS THAN 5% OF ISSUED HOLDINGS
** 5% AND ABOVE OF ISSUED HOLDINGS

REGISTER OF SUBSTANTIAL SHAREHOLDERS

		Direct Interest		Indirect Interest	
No.	**Name of Shareholders**	**No. of Shares held**	**% of Issued Capital**	**No. of Shares held**	**% of Issued Capital**
1.	Ibu Kota Developments Sdn Bhd	247,297,590	17.46	-	-
2.	Low Yi Ngo	232,099,525	16.39	-	-
3.	Datuk Lim Chai Hock	213,000,000	15.04	-	-
4.	Daza Holdings Sdn Bhd	-	-	247,297,590*	17.46
5.	Datuk Md Wira Dani Bin Abdul Daim	-	-	247,297,590**	17.46

* *Deemed interested by virtue of direct interest in Ibu Kota Developments Sdn Bhd pursuant to Section 8 of the Companies Act, 2016.*

** Deemed interested by virtue of their interest in Daza Holdings Sdn Bhd pursuant to Section 8 of the Companies Act, 2016.

DIRECTOR'S SHAREHOLDINGS

	Direct Interest		Indirect Interest	
	No. of Shares held	**% of Issued Capital**	**No. of Shares held**	**% of Issued Capital**
Datuk Lim Chai Hock	213,000,000	15.04	-	-
Lim Bay Gie	-	-	213,000,000	15.04
Lee En Dian	-	-	-	-
Dato' Seri Jamil Bin Bidin	-	-	-	-
Datin Norizan Binti Idris	-	-	-	-
Ho Soo Woon	-	-	-	-
Yeo Tek Ling	-	-	-	-
Tan Chee Wan	-	-	-	-
Datuk Dr. Yacob Mustafa	-	-	-	-

THIRTY (30) LARGEST SHAREHOLDERS

NO.	NAME	HOLDINGS	%
1	DB (MALAYSIA) NOMINEE (ASING) SDN BHD EXEMPT AN FOR DEUTSCHE BANK AG SINGAPORE (ASING WM CLT)	232,099,525	16.39
2	IBU KOTA DEVELOPMENTS SDN BHD	227,276,140	16.05
3	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM CHAI HOCK (E-SJA)	213,000,000	15.04
4	HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR CLEARSTREAM BANKING S.A.	28,257,187	1.99
5	LEONG POH HOONG	28,000,000	1.98
6	CHENG LAI HOCK	25,000,000	1.77
7	TAN OOI HAN	23,500,000	1.66
8	IBU KOTA DEVELOPMENTS SDN BHD	20,021,450	1.41
9	LEE CHIN CHAI	20,000,000	1.41
10	CHUAH CHIN YEN	19,634,100	1.39
11	MOHAMMED FEROZ BIN MOHAMMED ILYAS	18,000,000	1.27
12	POH CIN LIANG	13,957,400	0.98
13	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR YEO JIN HUI	10,700,000	0.76
14	MAYBANK NOMINEES (TEMPATAN) SDN BHD LOK HAN JIAN	10,218,600	0.72
15	LAM SANG	10,015,000	0.71
16	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG KOK THYE	10,000,000	0.71
17	VAERSA CAPITAL SDN BHD	9,493,500	0.67
18	CHOW LING TZE	9,000,000	0.64
19	LOK HAN FENG	7,532,300	0.53
20	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SIVASANGARAN A/L GOPALLU	7,000,000	0.49
21	TAN TIAM SIEW	7,000,000	0.49
22	VIVEK A/L SASHEENDRAN	6,561,800	0.46
23	EUROPEAN CREDIT INVESTMENT BANK LTD.	6,500,000	0.46
24	RAMNATH A/L R.SUNDARAM	6,400,000	0.45
25	VAERSA CAPITAL LIMITED	6,333,800	0.45
26	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SULAIMAN ABDUL RAHMAN B ABDUL TAIB	6,086,000	0.43
27	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KOON POH TAT (8062495)	6,000,000	0.42
28	TEH BEE GAIK	5,556,200	0.39
29	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR DATO' SRI GAN CHOW TEE	5,500,000	0.39
30	CHIN TZE KAI	5,237,000	0.37
	TOTAL	**1,003,880,002**	**70.88**

NOTICE OF **ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that the Thirty-Fourth ("**34th**") Annual General Meeting of **AVILLION BERHAD ("the Company")** will be held at **Pelita Ballroom**, **Avillion Port Dickson, 3rd Mile, Jalan Pantai, 71000 Port Dickson, Negeri Sembilan** on **Monday, 28 September 2026** at **10.00 a.m.** or any adjournment thereof for the purpose of transacting the following businesses: -

AGENDA

Ordinary Resolutions

1. To receive the Audited Financial Statements for the financial year ended 31 March 2026 together with the Directors' and Auditors' Report thereon.	(Explanatory Note 1)
2. To re-elect Mr. Yeo Tek Ling who is retiring by rotation pursuant to Clause 100 of the Company's Constitution and who being eligible, has offered himself for re-election.	Resolution 1 (Explanatory Note 2)
3. To re-elect Dato' Seri Jamil Bin Bidin who is retiring by rotation pursuant to Clause 100 of the Company's Constitution and who being eligible, has offered himself for re-election.	Resolution 2 (Explanatory Note 2)
4. To re-elect Datuk Lim Chai Hock who is retiring by rotation pursuant to Clause 107 of the Company's Constitution and who being eligible, has offered himself for re-election.	Resolution 3 (Explanatory Note 3)
5. To re-elect Ms. Lim Bay Gie who is retiring by rotation pursuant to Clause 107 of the Company's Constitution and who being eligible, has offered herself for re-election.	Resolution 4 (Explanatory Note 3)
6. To re-elect Mr. Tan Chee Wan who is retiring by rotation pursuant to Clause 107 of the Company's Constitution and who being eligible, has offered himself for re-election.	Resolution 5 (Explanatory Note 3)
7. To re-elect Datuk Dr. Yacob Bin Mustafa who is retiring by rotation pursuant to Clause 107 of the Company's Constitution and who being eligible, has offered himself for re-election.	Resolution 6 (Explanatory Note 3)
8. To approve the payment of Directors' fees and other emoluments of RM332,720.00 for the financial year ended 31 March 2026.	Resolution 7
9. To approve the payment of Directors' fees and benefits to Non-Executive Directors up to an amount not exceeding RM400,000.00 from 1 April 2026 until the next Annual General Meeting.	Resolution 8 (Explanatory Note 4)
10. To re-appoint Messrs. Baker Tilly Monteiro Heng PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.	Resolution 9

11. To consider and, if thought fit, to pass the following resolution, Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016: Resolution 10 (Explanatory Note 5)

"**THAT** pursuant to Sections 75 and 76 of the Companies Act 2016, the Directors be and are hereby authorised to issue shares in the Company at any time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may, in their discretion, deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being, subject always to the approvals of all the relevant regulatory authorities.

AND FURTHER THAT pursuant to Section 85 of the Companies Act, 2016 read together with Clause 54 of the Company's Constitution, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company and to offer new shares arising from the issuance and allotment of the new shares pursuant to Sections 75 and 76 of the Companies Act 2016 AND THAT the Board of Directors of the Company is exempted from the obligation to offer such new shares first to the existing shareholders of the Company."

Any Other Business

12. To transact any other business of which due notice shall have been given in accordance with the Company's Constitution and the Companies Act, 2016.

By Order of the Board

JEREMY TAI YUNG WEI (MAICSA No. 7065447 / SSM Practising Certificate No. 202308000580)
THONG PUI YEE (MAICSA No. 7067416 / SSM Practising Certificate No. 202008000510)
Company Secretaries
Kuala Lumpur

Date: 31 July 2026

AVILLION
BERHAD

Notes :

INFORMATION FOR SHAREHOLDERS/PROXIES

1. A member entitled to attend and vote at a meeting of the Company, or at a meeting of any class of members, shall be entitled to appoint any person as his proxy to attend and vote instead of the member at the meeting.

2. A member may appoint not more than 2 proxies to attend the same meeting.

3. A proxy may but need not to be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend the Meeting shall have the same rights as the member to speak and vote at the Meeting. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorised.

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

5. The Form of Proxy must be signed by the appointer or by his attorney duly authorised in writing or if the appointer is a corporation, either under seal or under hand of an officer or attorney duly authorised. If no name is inserted in the space for the name of your proxy, the Chairman of the Meeting will act as your proxy.

6. Subject to the Constitution, the Proxy Form shall be deposited at ShareWorks Sdn Bhd, the Share Registrar Office of the Company at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur or via electronic form to ir@shareworks.com.my, not less than forty-eight (48) hours before the time set for holding the Meeting or any adjournment thereof.

7. For the purpose of determining a member who shall be entitled to attend and vote at the 34th AGM, the Company shall be requesting the Record of Depositors as at **18 September 2026**. Only a depositor of the Company whose name appears on the Record of Depositors as at **18 September 2026** shall be entitled to attend and vote at the said meeting as well as for appointment of proxy (ies) to attend and vote on his/her stead.

Explanatory Notes

1. **To receive the Audited Financial Statements for the financial year ended 31 March 2026 together with the Directors' and Auditors' Report thereon**

   Agenda item no. 1 is meant for discussion only as the provisions of Section 340(1)(a) of the Companies Act, 2016, does not require a formal approval of the shareholders and hence, is not put forward for voting.

2. **To re-elect Mr. Yeo Tek Ling and Dato' Seri Jamil Bin Bidin who are retiring by rotation pursuant to Clause 100 of the Company's Constitution and being eligible, have offered themselves for re-election**

   Clause 100 of the Company's Constitution provides that one-third (1/3) of the Directors of the Company for the time being shall retire by rotation at an AGM of the Company. The Directors who are subject to retirement by rotation in accordance with Clause 100 of the Company's Constitution are **Mr. Yeo Tek Ling** and **Dato' Seri Jamil Bin Bidin.**

   The Board has conducted assessments on **Mr. Yeo Tek Ling** and **Dato' Seri Jamil Bin Bidin** on character, integrity, competence, and experience and time commitment in effectively discharging their respective roles as Directors of the Company. **Mr. Yeo Tek Ling** and **Dato' Seri Jamil Bin Bidin** were assessed based on performance criteria set in the areas of Board dynamics and participation, competency and capability, independence and objectivity, probity and personal integrity, contribution and performance together with their ability to make analytical inquiries and offer advice and guidance. The Board agreed with the Nomination Committee's recommendation that **Mr. Yeo Tek Ling** and **Dato' Seri Jamil Bin Bidin** who are retiring by rotation in accordance with Clause 100 of the Company's Constitution are eligible to stand for re-election.

The retiring Directors had abstained from deliberations and decisions on their own eligibility to stand for re-election at the Board meeting.

3. **To re-elect Datuk Lim Chai Hock, Ms. Lim Bay Gie, Mr. Tan Chee Wan and Datuk Dr. Yacob Bin Mustafa who are retiring pursuant to Clause 107 of the Company's Constitution and being eligible, has offered themselves for re-election**

Clause 107 of the Company's Constitution provides that the Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but the total number of Directors shall not at any time exceed the maximum number fixed in accordance with this Constitution. Any Director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

Datuk Lim Chai Hock was appointed on 12 September 2025 as a Non-Independent Non-Executive Director and is standing for re-election as the Director of the Company in accordance with Clause 107 of the Company's Constitution and being eligible, has offered himself for re-election at the 34th AGM of the Company.

Ms. Lim Bay Gie was appointed on 12 September 2025 as a Non-Independent Non-Executive Director and is standing for re-election as the Director of the Company in accordance with Clause 107 of the Company's Constitution and being eligible, has offered herself for re-election at the 34th AGM of the Company.

Mr. Tan Chee Wan was appointed on 03 November 2025 as an Independent Non-Executive Director and is standing for re-election as the Director of the Company in accordance with Clause 107 of the Company's Constitution and being eligible, has offered himself for re-election at the 34th AGM of the Company.

Datuk Dr. Yacob Bin Mustafa was appointed on 16 January 2026 as an Independent Non-Executive Director and is standing for re-election as the Director of the Company in accordance with Clause 107 of the Company's Constitution and being eligible, has offered himself for re-election at the 34th AGM of the Company.

4. **Payment of Directors' fees and benefits to Non-Executive Directors**

Section 230(1) of the Companies Act, 2016, which came into effect on 31 January 2017, provides among others, that the fees of Directors and any benefits payable to Directors shall be approved at a general meeting.

In this respect, the Board wishes to seek shareholders' approval for the payment of Directors' fees and for benefits payable to Non-Executive Directors to be paid monthly in arrears after each month of completed service of the Directors.

5. **Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016**

Ordinary Resolution 10 is proposed pursuant to Sections 75 and 76 of the Companies Act 2016 for the purpose of obtaining a general mandate ("General Mandate"), which if passed, will empower the Directors of the Company to allot and issue new ordinary shares in the Company at any time provided that the aggregate number of ordinary shares issued pursuant to the General Mandate does not exceed ten per centum (10%) of the total number of issued ordinary shares (excluding treasury shares, if any) of the Company for the time being for such purposes as the Directors deem fit and in the best interest of the Company. This would avoid any delay and cost involved in convening a general meeting to approve such an issue of shares. This General Mandate will, unless revoked or varied by the Company at a general meeting, expire at the conclusion of the next annual general meeting after the approval was given or at the expiry of the period within which the next annual general meeting is required to be held after the approval was given, whichever is the earlier. This General Mandate, if granted, will provide flexibility to the Company for any possible fund-raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s).

Ordinary Resolution 10, if passed, would be tantamount to shareholders of the Company agreeing to waive their pre-emptive rights in respect of the allotment and issuance of the new ordinary shares pursuant to the General Mandate, which will result in a dilution to the shareholders' shareholdings in the Company.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

1. The 34th AGM of the Company will be conducted physically at **Pelita Ballroom**, **Avillion Port Dickson, 3rd Mile, Jalan Pantai, 71000 Port Dickson, Negeri Sembilan** on **Monday, 28 September 2026** at **10.00 a.m.**

2. The Directors who are seeking re-election and/or continuing in office as Independent Non-Executive Directors as well as Managing Director / Chief Executive Officer at the 34th AGM of the Company are:

    i. Mr. Yeo Tek Ling (Clause 100)
    ii. Dato' Seri Jamil Bin Bidin (Clause 100)
    iii. Datuk Lim Chai Hock (Clause 107)
    iv. Ms. Lim Bay Gie (Clause 107)
    v. Mr. Tan Chee Wan (Clause 107)
    vi. Datuk Dr. Yacob Bin Mustafa (Clause 107)

    The Profiles of the Directors seeking for re-election are set out in the Company's Annual Report 2026. The details of the Directors' interest in the securities of the Company are set out in the Company's Annual Report 2026.

    The details of attendance of the Directors of the Company at Board of Directors' Meetings held during the financial year ended 31 March 2026 are disclosed in the profile of Directors of the Annual Report 2026.

PERSONAL DATA POLICY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof) and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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AVILLION
BERHAD

[199201013018 (244521-A)]
(Incorporated in Malaysia)

PROXY FORM

34TH ANNUAL GENERAL MEETING

CDS Account No.	
Number of shares held	

I/We...
[Full name and NRIC/Company No.]

of...

....
[Address]

Telephone No:.. Email Address:..

being a Member/Members of AVILLION BERHAD hereby appoint ....

....
[Full name and NRIC/Company No.]

of...

....
[Address]

Telephone No:.. Email Address:..

*and/or failing him/her...
[Full name and NRIC No.]

of ....

....[Address]

Telephone No:.. Email Address:..

or failing him/her, the Chairman of the Meeting as my/our proxy to attend and vote for me/us on my/our behalf at the 34th Annual General Meeting of the Company to be held physically at **Pelita Ballroom, Avillion Port Dickson, 3rd Mile, Jalan Pantai, 71000 Port Dickson, Negeri Sembilan** on **Monday, 28 September 2026 at 10.00 a.m.** and at any adjournment thereof.

Please indicate your voting instructions with an "X" in the appropriate space. If no specific direction as to voting is given, the proxy will vote or abstain from voting on the resolution at his/her discretion.

ORDINARY RESOLUTION		FOR	AGAINST
1.	To re-elect Mr. Yeo Tek Ling who is retiring by rotation pursuant to Clause 100 of the Company's Constitution and who being eligible, has offered himself for re-election.		
2.	To re-elect Dato' Seri Jamil Bin Bidin who is retiring pursuant to Clause 100 of the Company's Constitution and who being eligible, has offered himself for re-election.		
3.	To re-elect Datuk Lim Chai Hock who is retiring pursuant to Clause 107 of the Company's Constitution and who being eligible, has offered himself for re-election.		
4.	To re-elect Ms. Lim Bay Gie who is retiring pursuant to Clause 107 of the Company's Constitution and who being eligible, has offered herself for re-election.		
5.	To re-elect Mr. Tan Chee Wan who is retiring pursuant to Clause 107 of the Company's Constitution and who being eligible, has offered himself for re-election.		
6.	To re-elect Datuk Dr. Yacob Bin Mustafa who is retiring pursuant to Clause 107 of the Company's Constitution and who being eligible, has offered himself for re-election.		
7.	To approve the payment of Directors' fees and other emoluments of RM332,720.00 for the financial year ended 31 March 2026.		
8.	To approve the payment of Directors' fees and benefits to Non-Executive Directors up to an amount not exceeding RM400,000.00 from 1 April 2026 until the next Annual General Meeting.		
9.	To re-appoint Messrs. Baker Tilly Monteiro Heng PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.		
10.	Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016.		

____
Signature of Shareholder or Common Seal
Dated this _____ day of __________ 2026

NOTES:-

1. A member entitled to attend and vote at a meeting of the Company, or at a meeting of any class of members, shall be entitled to appoint any person as his/her proxy to attend and vote instead of the member at the meeting.
2. A member may appoint not more than 2 proxies to attend the same meeting.
3. A proxy may but need not to be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend the Meeting shall have the same rights as the member to speak and vote at the Meeting. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorised.
4. Where a member is an exempt authorised nominee who holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. The Form of Proxy must be signed by the appointer or by his attorney duly authorised in writing or if the appointer is a corporation, either under seal or under hand of an officer or attorney duly authorised. If no name is inserted in the space for the name of your proxy, the Chairman of the Meeting will act as your proxy.
6. Subject to the Constitution, the Proxy Form shall be deposited at ShareWorks Sdn. Bhd. of No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur or via electronic form to ir@shareworks.com.my, less than forty-eight (48) hours before the time set for holding the Meeting or any adjournment thereof.
7. For the purpose of determining a member who shall be entitled to attend and vote at the 34th AGM, the Company shall be requesting the Record of Depositors as at 18 September 2026. Only a depositor of the Company whose name appears on the Record of Depositors as at 18 September 2026 shall be entitled to attend and vote at the said meeting as well as for appointment of proxy (ies) to attend and vote on his/her stead.

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AFFIX
STAMP

AVILLION BERHAD
[199201013018 (244521-A)]

Company Share Registrar

SHAREWORKS SDN. BHD.
No. 2-1, Jalan Sri Hartamas 8,
Sri Hartamas,
50480 Kuala Lumpur,
Wilayah Persekutuan Kuala Lumpur,
Malaysia.

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AVILLION
BERHAD
199201013018 (244521-A)

AVILLION BERHAD
199201013018 (244521-A)

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

www.avillionberhad.com