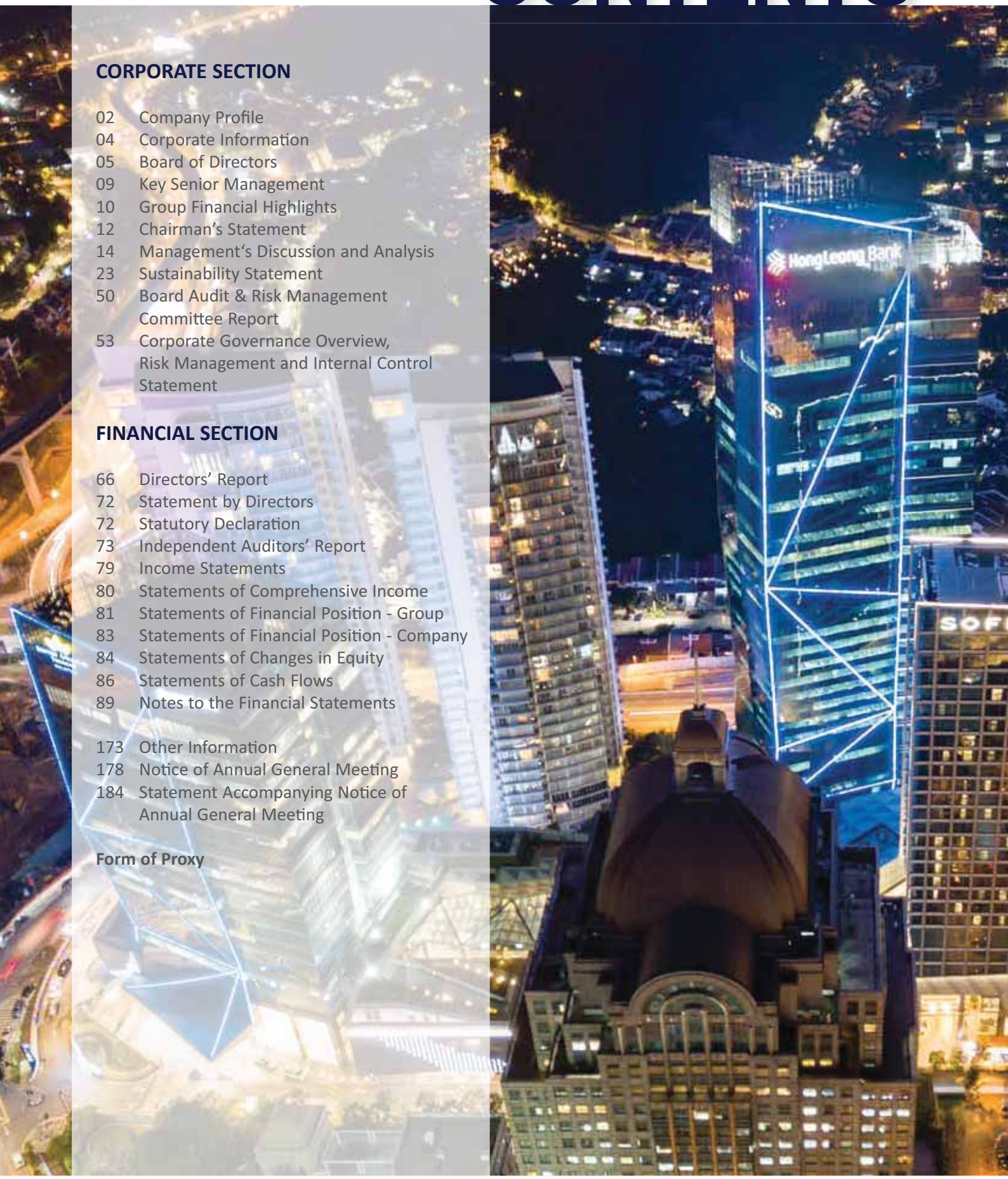


Annual Report 2023

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COMPANY PROFILE

GuocoLand (Malaysia) Berhad ("GuocoLand Malaysia" or the "Group") is the property arm of Hong Leong Group and listed on the Main Market of Bursa Malaysia Securities Berhad. The Group is a subsidiary of the Singapore-based GuocoLand Limited, with strong presence in Singapore, China and Malaysia.

The Group's expertise lies in developing community centric residential townships as well as innovative commercial and integrated development projects in Malaysia. Currently, GuocoLand Malaysia has a sizeable land bank for residential, commercial and industrial developments in the Greater Kuala Lumpur and Melaka.

During the year under review, the Group launched the first phase of Blooming Residence located within Emerald Rawang, a 928-acre sustainable township that is family and community-focused. Blooming Residence features two-storey terrace homes, set within a gated enclave secured with perimeter fence, single entry checkpoint, guardhouse and round the clock security.



COMPANY PROFILE
cont'd

In the second half of 2022, Tower D (Dylan on 9 Residence), which is part of Emerald 9, the award-winning transit-oriented mixed-integrated development, was launched. Dylan on 9 Residence features 536 units and offers an innovative co-living and co-working concept within a secured environment.

The Group also has within its portfolio, Damansara City ("DC"), a mixed-use development consisting of two office towers, a serviced apartment, Sofitel Kuala Lumpur Damansara Hotel and DC Mall. Additionally, the Group also owns Emerald Hills, an exclusive gated and guarded residential enclave in Alam Damai, Cheras.

Other property highlights include The Oval Kuala Lumpur, a unique luxury condominium in the heart of Kuala Lumpur City Centre, Emerald Sepang, a residential township in Sepang; as well as PJ City Corporate Hub, a commercial development located in Petaling Jaya.

The Group also has a portfolio of property investment assets through Tower Real Estate Investment Trust (Tower REIT) which owns yield-accretive commercial buildings including Menara Guoco, Menara HLX and Plaza Zurich in strategic locations in Kuala Lumpur City Centre and Damansara Heights.



Blooming Residence

CORPORATE INFORMATION



DIRECTORS

Mr Tang Hong Cheong *(Chairman)*

Mr Cheng Hsing Yao (Zheng Xinyao)

Puan Noorbaizura binti Hermeyney *(Managing Director)*

Mr Peter Ho Kok Wai

Encik Zulkiflee bin Hashim

Ms Patricia Chua Put Moy

Mr Quek Kon Sean

COMPANY SECRETARIES

Ms Chin Min Yann
(MAICSA 7034011)
(SSM PC No. 202008002583)

Ms Lee Sow Yeang
(MAICSA 7020119)
(SSM PC No. 202008002989)

REGISTRAR

Hong Leong Share Registration Services Sdn Bhd
Level 25, Menara Hong Leong
No. 6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur
Tel : 03-2088 8818
Fax : 03-2088 8990
Email : hlsrs@hongleong.com

REGISTERED OFFICE

Level 32, Menara Hong Leong
No. 6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur
Tel : 03-2088 8818
Fax : 03-2088 8968
Email : cosec-glm@guocoland.com

AUDITORS

Ernst & Young PLT
Level 23A, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur
Tel : 03-7495 8000
Fax : 03-2095 9076/78

WEBSITE

www.guocoland.com.my

BOARD OF DIRECTORS

MR TANG HONG CHEONG

Chairman, Non-Executive Director/Non-Independent | *Age 68, Male, Malaysian*

Mr Tang Hong Cheong is a Member of The Malaysian Institute of Accountants. He has over 41 years of broad-based and C-suite expertise in finance, treasury, risk management, operations and strategic planning. He possesses in-depth knowledge in investment, manufacturing, financial services, property development, gaming and hospitality industry. He has held various senior management positions in different companies within the Hong Leong Group, prior to his retirement as President & Chief Executive Officer of Guoco Group Limited in December 2020.

Mr Tang is the Chairman of GuocoLand (Malaysia) Berhad ("GLM") and was appointed to the Board of Directors ("Board") of GLM on 1 July 2021. He does not sit on any committee of GLM.

Mr Tang is also the Chairman of GLM REIT Management Sdn Bhd, the Manager of Tower Real Estate Investment Trust which is listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities"). He is also a Director of Hong Leong Islamic Bank Berhad, a public company.

MR CHENG HSING YAO (ZHENG XINYAO)

Non-Executive Director/Non-Independent | *Age 52, Male, Singaporean*

Mr Cheng Hsing Yao holds a Master in Design Studies from Harvard University, Bachelor of Architecture from Newcastle University, United Kingdom and a Bachelor of Arts from National University of Singapore ("NUS").

Mr Cheng is the Group Chief Executive Officer of GuocoLand Limited ("GLL"), the Company's holding company listed on the Singapore Stock Exchange. Mr Cheng has extensive experience in the real estate sector including developing integrated mixed-developments, Premium Grade A offices, high-end residential projects as well as in urban planning.

He has held various senior positions with GLL Group, most recently the Group Managing Director of GuocoLand Singapore. Prior to joining GLL Group in 2012, he was with the Singapore public service, namely the Urban Redevelopment Authority ("URA") and Centre for Liveable Cities ("CLC") under the Ministry of National Development.

Currently, Mr Cheng is a board member of Singapore's Land Transport Authority and National Parks Board, and a member of CLC's Advisory Panel. In addition, he is a member of URA's International Panel of Experts, as well as its Design Advisory Committee and Heritage and Identity Partnership.

Mr Cheng co-chairs the Central Procurers Panel at Singapore's Building and Construction Authority, and is a member of the management board of the Institute of Real Estate and Urban Studies at the NUS. He was the Founding Chairman of Discover Tanjong Pagar – the business association to promote Tanjong Pagar district, and currently is a Director of the association.

Mr Cheng was appointed by the President of the Republic of Singapore to serve as a Nominated Member of Parliament from January 2021 to July 2023.

Mr Cheng was appointed to the Board of GLM on 1 July 2021. He is also a Director of Eco World International Berhad, a company listed on the Main Market of Bursa Securities as well as a Director of GLM REIT Management Sdn Bhd, the Manager of Tower Real Estate Investment Trust.

BOARD OF DIRECTORS
cont'd

PUAN NOORBAIZURA BINTI HERMEYNEY

Managing Director/Non-Independent *Age 43, Female, Malaysian*

Puan Noorbaizura binti Hermeyney graduated with a Bachelor of Accountancy (Hons) from University Teknologi Mara in 2002. Subsequently in August 2003, she completed her Association of Chartered Certified Accountants professional examination.

Puan Noorbaizura brings with her 20 years of working experience which is primarily focused on investment and asset management, including experience in spearheading the real estate portfolios for public listed real estate investment trusts and government-linked companies. She has held various senior management positions in her previous employment, among others, Portfolio Manager-Savills Malaysia Asset Management, Chief Executive Officer of Amanahraya-Kenedix REIT Manager, Director for Naza Asset Management and Senior Vice President of Medini Iskandar Malaysia (Johor).

Puan Noorbaizura was appointed as the Managing Director of GLM on 18 May 2023. Prior to this appointment, she served as the Chief Executive Officer of GLM REIT Management Sdn Bhd ("GLM REIT"), the Manager of Tower Real Estate Investment Trust which is listed on the Main Market of Bursa Securities.

Puan Noorbaizura is also a Director of GLM REIT. She does not sit on any committee of GLM.

MR QUEK KON SEAN

Non-Executive Director/Non-Independent *Age 43, Male, Malaysian*

Mr Quek Kon Sean obtained a Bachelor of Science degree and a Master of Science degree in Economics from the London School of Economics and Political Science.

Mr Quek started his career in investment banking before joining the Hong Leong Group in 2004. He has held various positions in the Hong Leong Group, including Executive Director of Hong Leong Financial Group Berhad, and is currently the Managing Director of HL Management Co Sdn Bhd, a post held since 2016.

Mr Quek was appointed to the Board of GLM on 1 July 2021. He does not sit on any committee of GLM.

Mr Quek is also a Director of Hong Leong Foundation, a public company.

MR PETER HO KOK WAI

Non-Executive Director/Independent *Age 64, Male, Malaysian*

Mr Peter Ho Kok Wai is a Member of the Malaysian Institute of Accountants (MIA), Fellow of The Institute of Chartered Accountants in England and Wales (ICAEW), and Member of The Malaysian Institute of Certified Public Accountants (MICPA).

Mr Peter Ho forged his early career with Everett Pinto & Co., a central London Firm of Chartered Accountants, and qualified as a Chartered Accountant in 1984. Subsequently, in 1987, Mr Peter Ho joined KPMG Kuala Lumpur ("KPMG KL") where he progressed to Head of Department in 1992. He was transferred to KPMG Ipoh in 1993 to head the branch and was admitted as Partner in 1995. He was transferred back to KPMG KL in 2005 where he had, at various times, headed the Audit Technical Committee, Audit Function and Marketing Department. He has more than 30 years of auditing experience in a wide range of companies including public listed companies and multinationals, with particular emphasis in manufacturing, distribution and financial services. Mr Peter Ho retired from KPMG in December 2014.

Mr Peter Ho was appointed to the Board of GLM on 20 August 2015. He is the Chairman of the Board Audit & Risk Management Committee and Nominating Committee of GLM.

Mr Peter Ho is a Director of Hong Leong Industries Berhad, Hong Leong Capital Berhad, Allianz Malaysia Berhad and PMB Technology Berhad, companies listed on the Main Market of Bursa Securities; and a Director of Allianz Life Insurance Malaysia Berhad, a public company.

ENCIK ZULKIFLEE BIN HASHIM

Non-Executive Director/Independent *Age 64, Male, Malaysian*

Encik Zulkiflee bin Hashim graduated with a Diploma in Credit Management from the Institut Teknologi MARA (now known as Universiti Teknologi MARA).

Encik Zulkiflee has over 35 years' experience in the banking industry. He started his career with Citibank Malaysia in 1979 and left his position as Vice President in November 1991. From December 1991 to November 1997, Encik Zulkiflee was with Deutsche Bank Malaysia. He was the Deputy Managing Director responsible for Corporate Banking, International Trade Finance, Operations and Transaction Banking Services. From July 1998 to October 2011, Encik Zulkiflee was the Executive Director of Hong Leong Bank Berhad ("HLB"). Prior to his retirement in 2015, he was HLB's Chief Operating Officer, Group Strategic Support from November 2011 to January 2015. During the tenure with HLB, he was given the responsibility to oversee various areas such as Branch and Banking Operations, Integrated Risk Management, Credit Management, Information Technology, Islamic Banking, Wholesale Operations, Retail Operations, Legal and Corporate Communications & Public Relations.

Encik Zulkiflee was appointed to the Board of GLM on 4 December 2015. He is a member of the Board Audit & Risk Management Committee and Nominating Committee of GLM.

Encik Zulkiflee is presently a Director and Chairman of both the Board Audit Committee and the Board Financing & Investment Committee of Small Medium Enterprise Development Bank Malaysia Berhad ("SME Bank"). He is a Director and Chairman of both the Board Audit Committee and the Board Risk Management & Compliance Committee of Al Rajhi Banking & Investment Corporation (Malaysia) Berhad ("Al Rajhi Bank"). He is also a Director and Chairman of the Nomination Committee and the Remuneration Committee of Hong Leong MSIG Takaful Berhad ("HLMT"). SME Bank, Al Rajhi Bank and HLMT are public companies.

BOARD OF DIRECTORS
cont'd

MS PATRICIA CHUA PUT MOY

Non-Executive Director/Independent | *Age 67, Female, Malaysian*

Ms Patricia Chua Put Moy graduated with First Class Honours in Computational and Statistical Sciences from University of Liverpool, United Kingdom. She is a Member of the Malaysian Institute of Accountants (MIA) and The Institute of Chartered Accountants in England and Wales (ICAEW).

Ms Patricia Chua began her career in Ernst & Young, Liverpool and London, United Kingdom in October 1978. She subsequently served PricewaterhouseCoopers, Kuala Lumpur as Qualified Accountant in October 1982 prior to joining Genting Group where she served in various capacities, including as the Group Management Accountant, Head Office Personnel & Administration Manager, Senior Vice President of Corporate (Genting Sanyen) Human Resource and Information Technology and Member of the Remuneration & Compensation Committee for Genting Berhad/Resorts World Bhd/ Asiatic Bhd.

Ms Patricia Chua was the Regional Project Advisor of Organization Renewal Inc. (Malaysia/Indonesia). She joined VXL Group from July 2004 to September 2005 and served as an Executive Director of Finance, Investment and Human Resource Division. She was the Associate Director of Tax and Advisory Business Development for PricewaterhouseCoopers, Beijing, China.

From October 2009 to July 2013, Ms Patricia Chua had held positions in Avery Dennison BV Hong Kong, Asia Pacific as a Human Resource Director; Paramount Corporation Berhad as the Special Project Director/ Director of Business Services and Group Corporate Planner/Human Resource Director; and Kolej Damansara Utama, Petaling Jaya as Chief Executive Officer.

Ms Patricia Chua was appointed to the Board of GLM on 1 August 2016. She is a member of the Board Audit & Risk Management Committee and Nominating Committee of GLM.

She is a Director of HPMT Holdings Berhad and GDEX Berhad, both listed on the Main Market of Bursa Securities.

Notes:

1. **Family Relationship with Director and/or Major Shareholder**
   Mr Quek Kon Sean is the son of YBhg Tan Sri Quek Leng Chan, a major shareholder of GLM. Saved as disclosed herein, none of the Directors has any family relationship with any other Directors and/or major shareholders of GLM.
2. **Conflict of Interest**
   None of the Directors has any conflict of interest with GLM.
3. **Conviction of Offences**
   None of the Directors has been convicted of any offences (excluding traffic offences) within the past 5 years and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 June 2023.
4. **Attendance of Directors**
   Details of Board meeting attendance of each Director are disclosed in the Corporate Governance Overview, Risk Management and Internal Control Statement in the Annual Report.

KEY SENIOR MANAGEMENT

MS YEAP YEN YEN

Chief Financial Officer — *Age 41, Female, Malaysian*

Ms Yeap Yen Yen holds a Bachelor of Arts (Honours) degree in Accounting and Finance. She is also a Fellow of The Association of Chartered Certified Accountants (FCCA) and member of Malaysian Institute of Accountants (MIA).

Ms Yeap brings almost 20 years of experience and having served in several positions in the areas of financial and management reporting, treasury operations, audit, and reporting compliance.

Ms Yeap began her career in audit with Ernst & Young, Kuala Lumpur. In June 2010, she joined Syarikat Bekalan Air Selangor as Finance Manager. She then moved to Mulpha International Berhad in June 2012, and her last position was Assistant General Manager.

Ms Yeap joined GLM as the Head of Property Account in August 2018 and was then promoted to Financial Controller in July 2022. She was appointed as the Chief Financial Officer of GLM on 18 May 2023.

MR WEE KWANG YOONG

Project Development Director — *Age 48, Male, Malaysian*

Mr Wee Kwang Yoong heads the Project Management, Design & Planning, Authority Liaison, Cost & Control, Facility Management, and Customer Relation Management departments at GLM, overseeing all development projects.

He has more than 26 years of experience in property development and project management, with extensive experience in commercial, high-rise apartment, township development, and major infrastructure projects.

From 2010 to 2021, Mr Wee was the General Manager of Malton Berhad, overseeing Pavilion Ceylon Hill, VSQ Commercial, Amaya Maluri serviced apartment, and the Mutiara Indah and Mutiara Puchong townships. Subsequently, he joined ParkCity Hanoi as Director of Project Management, overseeing a 200-acre township in Hanoi, Vietnam, before joining GLM as Project Development Director on 15 August 2023.

Mr Wee holds an MBA in Construction Management from Wawasan Open University and a Master's Degree in Civil Engineering from the Engineering Council UK. He is a Member of The Institution of Engineering and Technology, UK and a Graduate Member of The Institution of Civil Engineers, UK, and The Institution of Engineers, Malaysia.

Notes:

1. **Family Relationship with Director and/or Major Shareholder**
   None of the Key Senior Management has any family relationship with any other Directors and/or major shareholders of GLM.
2. **Conflict of Interest**
   None of the Key Senior Management has any conflict of interest with GLM.
3. **Conviction of Offences**
   None of the Key Senior Management has been convicted of any offences (excluding traffic offences) within the past 5 years and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 June 2023.

GROUP FINANCIAL HIGHLIGHTS

REVENUE

0.05%

RM434.3[1] Million

2022: RM434.1 Million

PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT

31.6%

RM34.6[2] Million

2022: RM26.3 MILLION

NET EARNINGS PER SHARE

5.2 Sen

2022: 3.9 Sen

33.3%

TOTAL ASSETS

RM2,245.7 Million

3.9%

2022: RM2,338.1 MILLION



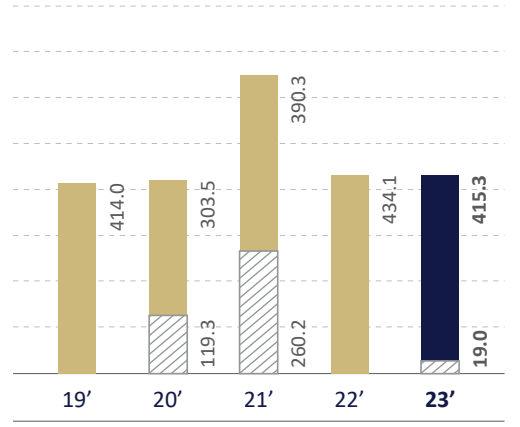
[1] *Including sales proceed from land disposal amounting to RM19.0 million for FY2023*
[2] *Including a gain from land disposal amounting to RM6.5 million for FY2023*

GROUP FINANCIAL HIGHLIGHTS

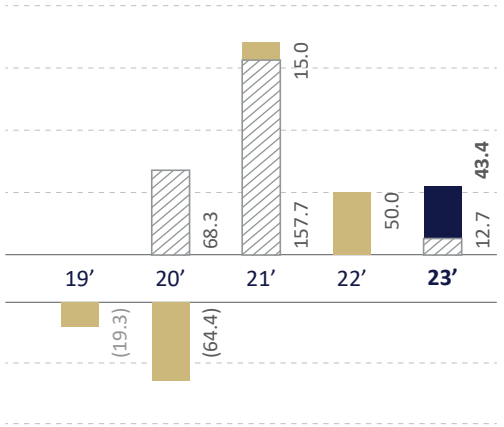
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YEAR ENDED (RM Million)	June '19	June '20	June '21	June '22	June '23
Revenue	414.0	422.8	650.5	434.1	**434.3**
Profit/(Loss) before tax	(19.3)	3.9	172.7	50.0	**56.1**
Profit/(Loss) attributable to owners of the parent	(32.8)	(54.4)	77.4	26.3	**34.6**
Net earnings/(loss) per share (sen)	(4.9)	(8.1)	11.6	3.9	**5.2**
Net dividend per share (sen)	2.0	2.0	-	2.0	**2.0**
Gross dividend per share (sen)	2.0	2.0	-	2.0	**2.0**
Shareholders' funds	1,294.1	1,226.3	1,303.7	1,316.6	**1,337.8**
Total assets	2,844.8	2,844.0	2,371.8	2,338.1	**2,245.7**

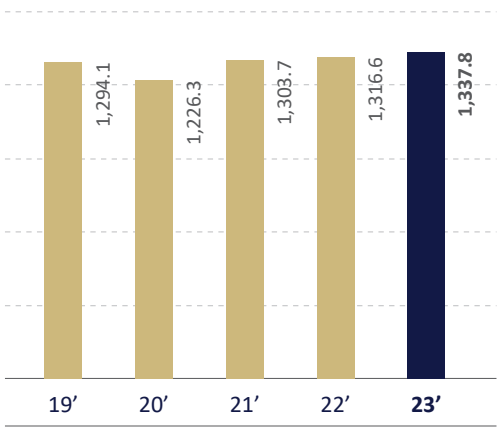
REVENUE
(RM Million)



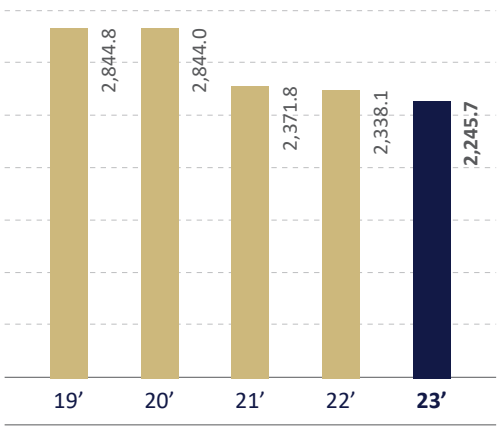
PROFIT/(LOSS) BEFORE TAX
(RM Million)



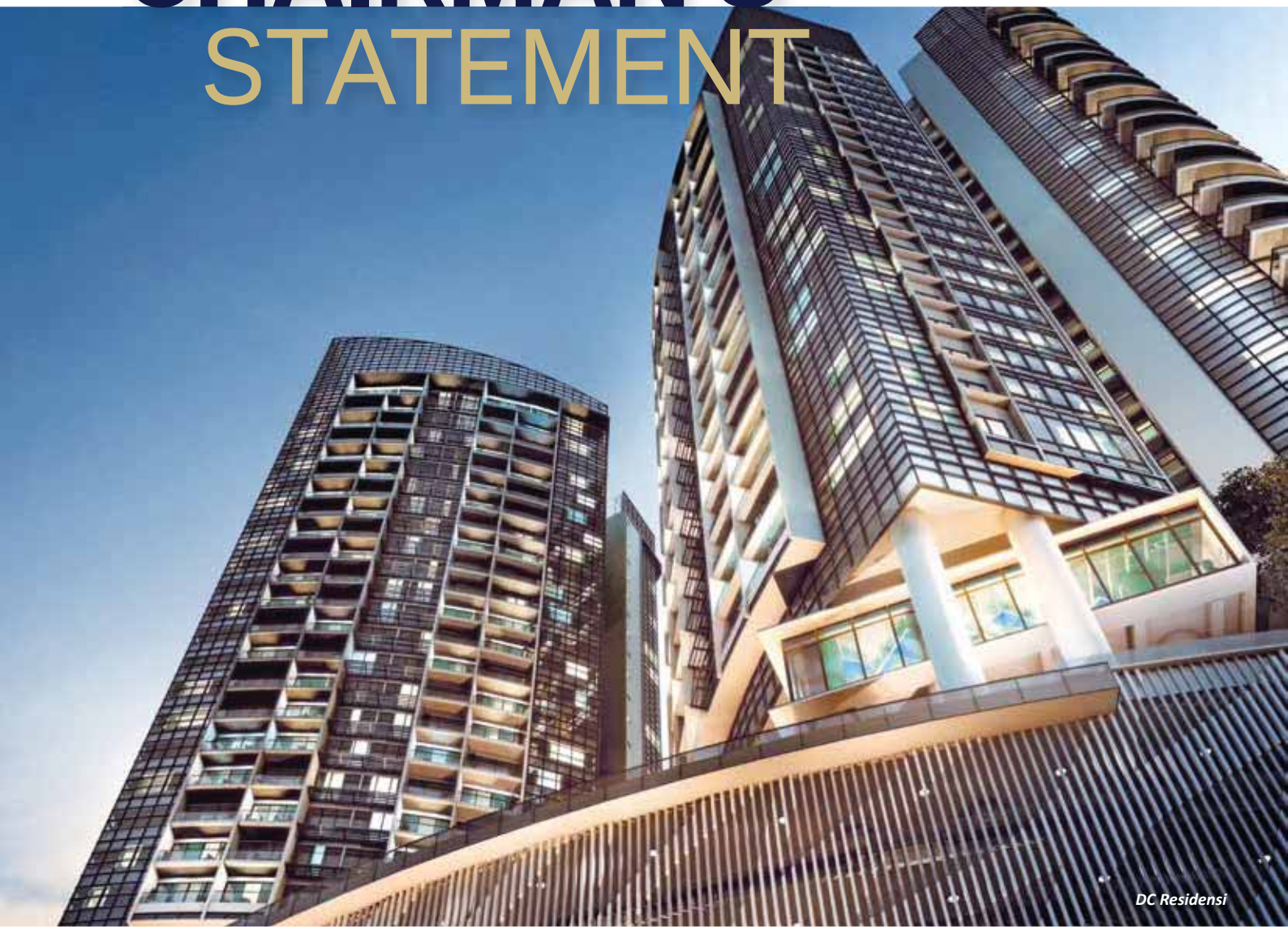
SHAREHOLDERS' FUNDS
(RM Million)



TOTAL ASSETS
(RM Million)



CHAIRMAN'S STATEMENT



DC Residensi

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the Annual Report and Audited Financial Statements of GuocoLand (Malaysia) Berhad ("Group") for the financial year ended 30 June 2023 ("FY2023").

A YEAR OF RESILIENCE

Our efforts to generate long-term value by upholding our strategic vision, leveraging our core competencies and repositioning our land development portfolio, further supported by the rebound in economic activities post Covid-19, have enabled us to close FY2023 with a positive performance.

It was a welcome relief that Malaysia and the rest of the world were able to transit the Covid-19 pandemic to an endemic phase. Restrictions were lifted, allowing business operations to resume and our economy staged a firm rebound.

The Malaysian economy expanded by 8.7% in 2022[1] and continued expanding in the first quarter of 2023, driven mainly by domestic demand.[2] Further improvement in the labour market, with strong growth in employment and wages, continued to support private consumption spending. Meanwhile, investment activity was underpinned by capacity expansion and continued implementation of multi-year projects.

1 *https://www.mof.gov.my/portal/en/news/press-citations/strong-8-7-gdp-growth-for-2022-shows-restored-confidence-in-national-economy-anwar*
2 *https://www.bnm.gov.my/-/qb23q1_en_pr*

The property sector continued its stable momentum in 2023, with the value of transactions increasing by 1.1% to RM85.37 billion in the first half of this year, compared with RM84.40 billion in the same period last year. The volume of transactions, however, showed a marginal decrease of 2.1% to 184,140 for the final half of 2023 versus 188,002 in the corresponding period last year. The residential property segment continued to drive the market, comprising more than 60% of the total transaction volume and nearly 53% of the total transaction value.[3] On the other hand, the commercial office market, particularly in the Klang Valley, remained challenging due to the oversupply of new buildings which exceeded demand. As a result, existing office owners sought to remain competitive.

FINANCIAL PERFORMANCE

The Group recorded revenue of RM434.3 million and profit before tax of RM56.1 million for FY2023, compared with a revenue of RM434.1 million and profit before tax of RM50.0 million in the preceding financial year.

The higher profit was mainly attributed to the disposal of a parcel of land located in Mukim of Jasin, Melaka, following our strategic repositioning of the land development portfolio, which contributed a revenue of RM19.0 million and profit of RM12.7 million. Hospitality segment reported better performance resulted from improved occupancy and room rates in line with the encouraging rebound in social and travel activities. However, the property development segment recorded a lower contribution due to fewer projects in Emerald Hills in Cheras and a lower profit recognition from construction progress in Emerald 9 as the first phase of the project is nearing the end of its construction.

Other than the fair value loss adjustment in its investment properties, our associate interest in Tower REIT performed satisfactorily in a challenging market sector.

A more detailed analysis of our financial performance can be found in the "Management's Discussion and Analysis" section of this Annual Report.

DIVIDEND

In appreciation of our shareholders' support, the Board has declared a final single tier dividend of 2 sen per share for FY2023. This reflects the Group's commitment to grow and maintain shareholder value.

MOVING FORWARD

Despite a softening global economy, the Malaysian economy is anticipated to maintain its resilience. It is projected to expand close to the lower end of the 4.0% to 5.0%[4] range in 2023. Growth will continue to be supported by the robust domestic demand amid improving employment and income as well as implementation of multi-year projects.

We remain cautiously optimistic that the property market will remain resilient in the coming year as the Malaysian economy recovers from the Covid-19 pandemic, underpinned by stronger domestic demand and growth- driven government policies.

According to reports, the property market is expected to improve, driven by political stability and the launch of major national policies such as the Madani Economy, National Energy Transition Roadmap, Mid-Term Review of the 12th Malaysia Plan, and New Industrial Master Plan 2030. The global trend of de-risking supply chains and diversification should benefit Malaysia with new foreign direct investments inflows which will result in economic multiplier effects.

The Group will continue to focus on monetising its inventories, progressing its development projects for timely completion and turning around assets that are currently under-performing. Despite higher interest rates in 2023, the Group is in the better debt servicing position, having reduced its borrowings to ensure adequate capacity to increase landbank for sustainable return in the longer-term.

We also recognise the importance of sustainability and will manage and monitor our material Environment, Social and Governance ("ESG") matters. For more information on ESG commitments, please refer to our Sustainability Statement found in this Annual Report.

APPRECIATION

I would like to thank our shareholders, customers and business partners for placing their steadfast confidence and trust in us over the years.

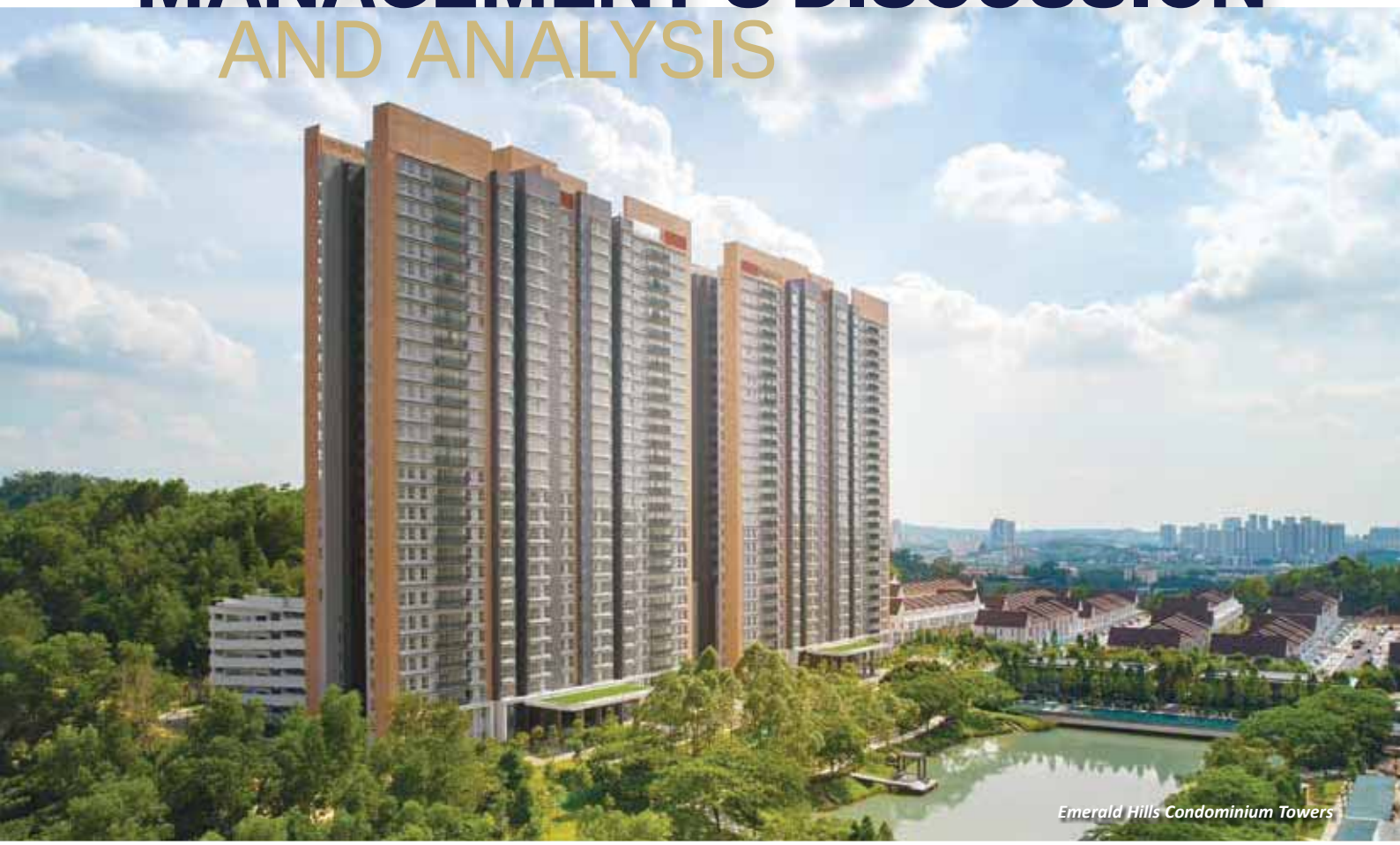
I would also like to welcome Puan Noorbaizura binti Hermeyney who joined the Board on 18 May 2023. As the new Managing Director of the Group, I am confident her vast experience will bode well for the future and I look forward to her contributions. I would also like to thank our former Group Managing Director, Mr Tan Wee Bee, for having steered the Group through the challenges of the Covid-19 pandemic.

Lastly, my sincere appreciation goes to my fellow members of the Board of Directors, the management team and dedicated employees for their dedication, commitment and collective efforts during the year.

Tang Hong Cheong
Chairman

3 https://www.thesundaily.my/business/malaysian-property-market-stable-in-first-half-of-2023-napic-report-CN11493405
4 https://www.bnm.gov.my/-/qb23q2_en_pr

MANAGEMENT'S DISCUSSION AND ANALYSIS



Emerald Hills Condominium Towers

Dear valued shareholders,

Our Group has been resilient throughout the global health pandemic and remains committed towards delivering sustainable value creation for our shareholders and stakeholders by leveraging on the economic recovery while addressing the challenges within our operating landscape.

On this note, we are pleased to present to you the Management Discussion and Analysis ("MD&A") of GuocoLand (Malaysia) Berhad ("GLM" or the "Group") for the financial year ended 30 June 2023 ("FY2023").

In this MD&A, we aim to provide you with insights into the Group's operating landscape, financial performance as well as key operational developments undertaken during the financial year. We will also be sharing with you our prospects and plans for the coming financial year.

BUSINESS OVERVIEW

GLM is an established property group that is listed on the Main Market of Bursa Malaysia Securities Berhad. The Group is primarily involved in three core sectors within the property industry, namely:

i. property development,
ii. property investment, and
iii. hospitality

MANAGEMENT'S DISCUSSION AND ANALYSIS
cont'd

BUSINESS OVERVIEW *cont'd*

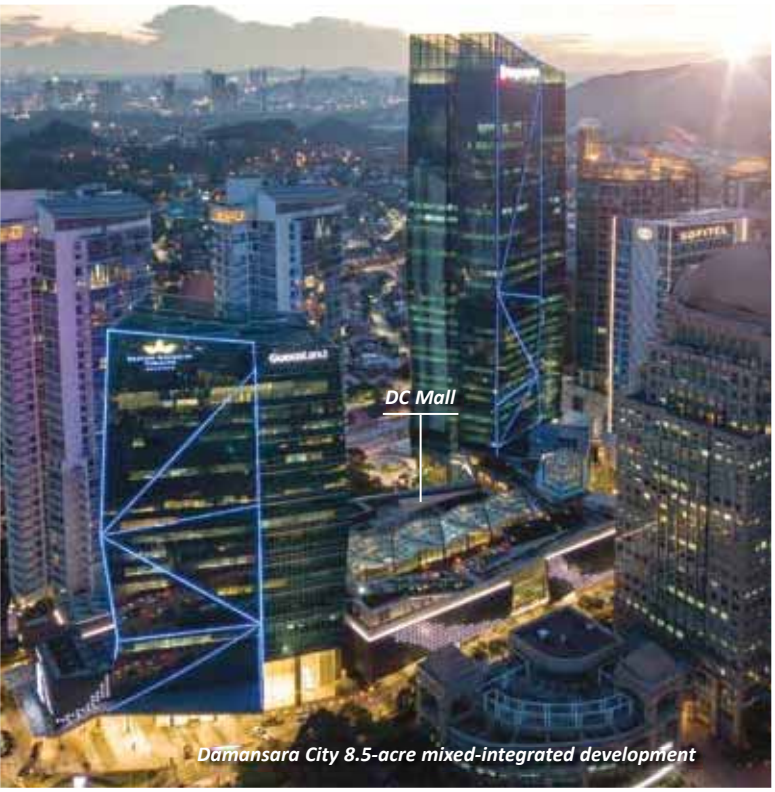
PROPERTY DEVELOPMENT

In the property development space, GLM has successfully established a robust reputation as a forward-thinking developer that embraces community-oriented residential townships and pioneers commercial and integrated properties.

Its flagship development, *Damansara City*, is a recognised and sought-after transformative integrated development with commercial, residential, retail and hotel components located in the prime neighbourhood of Damansara Heights, Kuala Lumpur.

GLM is also the master developer of a 1,000-acre mixed planned township called *Emerald Rawang* in Selangor, *Emerald Hills*, which is located at one of the highest points in Alam Damai, Cheras and *Emerald 9*, a transit-oriented mixed-integrated development in Cheras. Other notable projects include *The Oval* in Kuala Lumpur and *PJ City Corporate Hub* in Petaling Jaya.

As of 30 June 2023, GLM has a landbank for development of approximately 5,249 acres in total, consisting of 1,768 acres in Jasin, Melaka; 3,044 acres in Sepang, Selangor; and approximately 437 acres in Rawang, Selangor.



Damansara City 8.5-acre mixed-integrated development

PROPERTY INVESTMENT

The Group manages the leasing of its DC Mall and its parking as well as being the Manager of office buildings through the Tower Real Estate Investment Trust ("Tower REIT"). Tower REIT's portfolio, which consists of *Menara HLX*, *Plaza Zurich* and *Menara Guoco*, has collectively close to 1 million square feet of net lettable area.

HOSPITALITY

As part of its hospitality segment, GLM also owns *Sofitel Kuala Lumpur Damansara*, a stunning 5-star luxury hotel within the Damansara City development.

REVIEW OF FINANCIAL PERFORMANCE

The Group recorded revenue of RM434.3 million and profit before tax of RM56.1 million as compared to revenue of RM434.1 million and profit before tax of RM50.0 million in the preceding financial year.

The improved performance was mainly attributed to the one-off land disposal in Mukim and District of Jasin Melaka as well as better performance from the hospitality and property investment divisions. This improvement, however, was partially off-set by lower contribution from the property development division, largely due to fewer on-going projects as the vacant possession of Garden Terrace and South Tower phases of Emerald Hills in Cheras have been delivered in the first quarter of FY2023 and a lower profit recognition from the construction progress of Emerald 9 in Cheras as the first phase of the project is nearing the end of its construction.

The Group's property investment division recorded improved performance year-on-year in light of the increased occupancy in DC Mall as business and retail activities start to recover towards pre-pandemic levels. Similarly, the hospitality division also recorded higher occupancy and better average room rates in tandem with rebounding domestic and international travel as well as the rejuvenation of entertainment and social activities.

In FY2023, the Group incurred higher selling and marketing expenses as it ramps up its marketing initiatives for its on-going residential projects and hospitality assets. However, administrative expenses were lower against last year due to a reduction in operational expenses that stem from its pro-active cost management initiatives.

MANAGEMENT'S DISCUSSION AND ANALYSIS

cont'd

REVIEW OF OPERATIONS

PROPERTY DEVELOPMENT

Emerald 9 @ Cheras

Emerald 9 is an award winning transit-oriented mixed-integrated development that consists of five residential towers, 151 smart offices, and 90 retail outlets or 'shoppes'. Situated on a 10.14-acre prime freehold land in Batu 9, Cheras, Emerald 9 offers abundant lifestyle choices with seamless conveniences and connectivity to major highways, namely the Klang Valley via Cheras-Kajang Expressway, East-West Link, MRR2 & SUKE Highway.

Tower D was successfully launched in June 2022, featuring a total of 536 units with built-up areas ranging from 675 square feet to 1,300 square feet with an innovative co-living and co-working concept within a secured environment with advanced security system. It also has more than 48 fun and health-oriented facilities to meet the needs of today's modern lifestyles.

Emerald 9 is targeted to launch a series of new offerings for discerning home buyers and investors including shoppes, residential units (Tower C) and commercial offices in the coming months.



Emerald 9 Pool View



Emerald Rawang Recreational Facilities



Emerald Hills Facilities Podium

MANAGEMENT'S DISCUSSION AND ANALYSIS
cont'd

REVIEW OF OPERATIONS *cont'd*

PROPERTY DEVELOPMENT *cont'd*

Emerald Hills @ Cheras

Located in Alam Damai, Cheras, this exclusive gated-and-guarded community offers a residential masterplan that features four condominium towers and a selection of 181 double and triple-storey homes. The development's goal of 'Creating Spaces for True Living' is achieved through its 21-acres of open spaces and a multitude of amenities to bring the community together. The development is also strategically located with easy access to major expressways and highways, providing residents with effortless connectivity. Emerald Hills Garden Terraces, Towers A and B have been fully sold with vacant possession delivered in September 2022.

Emerald Hills recently received the Star Property Awards 2023 (Excellence) for the best low-density development category.


Connected Living at Emerald 9


Emerald Hills Overview


Blooming Residence Living Room

MANAGEMENT'S DISCUSSION AND ANALYSIS

cont'd

REVIEW OF OPERATIONS *cont'd*

PROPERTY DEVELOPMENT *cont'd*

Emerald Rawang

Emerald Rawang is a 928-acre sustainable township that is family and community-focused. Built for multigenerational living, the township showcases a 59-acre commercial plot that includes a waterfront commercial district called *Emerald Central*, which comes complete with a grocer, retail stores, alfresco café and a fully-equipped recreational centre.

Blooming Residence Phase 1, the township's latest offering that was launched in June 2023, has already recorded an excellent response. This has set a positive note for the upcoming launch of Phase 2 in the fourth quarter of 2023.

Blooming Residence features a fine collection of 20'x70' freehold two-storey terrace homes that is set within a gated enclave secured with perimeter fence, single entry checkpoint, guardhouse and round the clock security. The development has a resident-only private park with direct access to the Central Park. Each unit comes with a distinctive contemporary façade design and has a spacious built-up area starting from 1,786 square feet.



Blooming Residence 2-Storey Terrace Homes



38.8-acre Central Park at Emerald Rawang



Self-sustainable masterplan with Central Park

MANAGEMENT'S DISCUSSION AND ANALYSIS
cont'd

REVIEW OF OPERATIONS *cont'd*

PROPERTY DEVELOPMENT *cont'd*

Emerald Sepang

Emerald Sepang is located within the picturesque Pantai Sepang Putra township. This freehold development consists of semi-detached, single-storey, and double-storey terrace homes, all of which are designed to meet the needs of families seeking a comfortable, affordable and practical living environment.

Each home in *Emerald Sepang* has been thoughtfully designed to provide spacious living and dining areas, allowing families to enjoy ample space for their daily activities. One of the key appeals of the development is its proximity to the coastline, offering residents the opportunity to enjoy the natural beauty and recreational activities associated with beachside living. Furthermore, the development has excellent connectivity to major highways, including the North-South Expressway, ELITE Highway, and Shah Alam Expressway (KESAS).

Emerald Sepang's Palmera encompasses 56 units of two-storey semi-detached homes that are ideal for multi-generation family living. Each unit comes with double frontage views of the lake and garden as well as a car porch that can fit up to three cars. *Palmera* homes also have their own rainwater harvesting system to conserve water.


Areca, Single and Double-Storey terraces


Palmera, Double-Storey Semi-Ds


Palmera, Double-Storey Semi-Ds

MANAGEMENT'S DISCUSSION AND ANALYSIS

cont'd

REVIEW OF OPERATIONS *cont'd*

PROPERTY DEVELOPMENT *cont'd*

Damansara City

Damansara City is the first integrated project in Damansara Heights, one that is designed to embrace the hallmarks of a Transit-Oriented Development. Built on a 8.5-acre freehold land, the development includes two Grade A office blocks, *Menara Hong Leong* and *Menara Guoco*; two residential blocks, *DC Residensi*; an internationally renowned hotel, *Sofitel Kuala Lumpur Damansara*; and a vibrant 5-storey lifestyle mall, *DC Mall*.

Both the Grade A office towers are certified Green Buildings by the Green Building Index and awarded Gold by the Leadership in Energy and Environmental Design (LEED). *DC Residensi* is made up of 370 luxury serviced apartments that offers choice unit layouts and exceptional amenities.

PROPERTY INVESTMENT

DC Mall

As an integral part Damansara City, *DC Mall* is a five-storey lifestyle mall that offers a vibrant mix of dining, shopping, banking, and health facilities within its approximately 170,000 square feet of net lettable space.

In our effort to cater to the growing working population in its vicinity, *DC Mall* continues to offer a variety of F&B options including Hometown Hainan Coffee, myCU, Nyonya Colors, Birch and Hijau, along with the newly introduced F&B destination, *DC Mall Food Village*. Since its launch, the Food Village has continued to operate at near full capacity during weekday lunch hours.

These culinary haven features a diverse selection of renowned hawker food and Asian delicacies, carefully curated to tantalise the tastebuds.



Damansara City is an 8.5-acre freehold mixed-use development

MANAGEMENT'S DISCUSSION AND ANALYSIS
cont'd

REVIEW OF OPERATIONS *cont'd*

PROPERTY INVESTMENT *cont'd*

Tower REIT

Tower REIT recorded a revenue of RM33.9 million for FY2023, marking an increase of 3.9% over the previous year. The improved performance was due to the higher occupancy rate achieved across its portfolio, which includes three prime commercial buildings, Menara HLX, Plaza Zurich and Menara Guoco.



Menara Guoco



Plaza Zurich


Menara HLX

MANAGEMENT'S DISCUSSION AND ANALYSIS

cont'd

REVIEW OF OPERATIONS *cont'd*

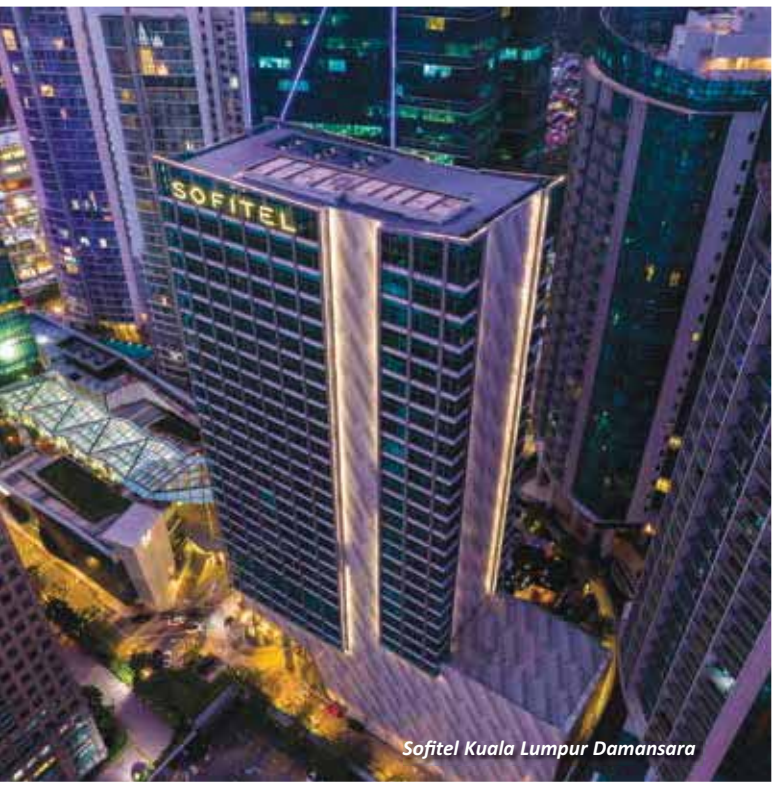
HOSPITALITY

Sofitel Kuala Lumpur Damansara

Sofitel Kuala Lumpur Damansara has become a destination of choice for astute business and leisure travelers locally and internationally. The 5-star luxury hotel's 312 beautifully crafted rooms and 56 distinguished suites are complemented with a selection of exceptional restaurants and luxurious amenities including a well-equipped fitness club and an award-winning Spa.

During the financial year, the hotel has received numerous local and international guests, further cementing its reputation as a best-in-class business and leisure hotel across the nation.





Sofitel Kuala Lumpur Damansara

The vibrant growth of the Damansara City area, with the opening of new commercial office space, shopping malls and lifestyle venues, are expected to enhance the appeal of the hotel in terms of offering unparallel convenience and accessibility in the near future.

MANAGING RISKS

We are continuously identifying, evaluating and addressing potential risks and challenges related to the sustainable growth of our business and have in place measures to manage them adequately. In addition, we are also focused on revitalising some of our non-performing assets to ensure stronger growth in the foreseeable future.

A detailed overview of our material risks can be found in the Sustainability Statement in this Annual Report.

MOVING FORWARD

Bank Negara Malaysia expects the Malaysian economy to expand by 4.0% to 5.0% in 2023, driven by firm domestic demand[1]. The central bank also said that improving employment and income as well as continued implementation of multi-year projects would support consumption and investment activities.

The resilient national economy is also expected to support the recovery of the Malaysian property market. While the National Property Information Center (NAPIC) is cautiously optimistic on the property market in 2023, the agency is also concerned that higher interest rates, labour shortages and increase cost of building materials may impact the overall performance of the sector.

Moving forward, the Group will continue to focus on monetising its inventories and ensuring that its development projects progress towards timely completion. The Group is also looking forward to launch more projects in the near future, while carefully evaluating potential developments within our existing landbank based on prevailing market conditions.

Today, the Group is well-poised to take full advantage of the recovering property market and is pro-actively in search of quality landbank that can facilitate sustainable value creation for its shareholders and stakeholders.

[1] *https://www.bnm.gov.my/-/qb23q1_en_pr*
[2] *https://www.mof.gov.my/portal/en/news/press-citations/property-market-activity-declined-by-5-7-pct-in-1q-mof*

SUSTAINABILITY STATEMENT

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SUSTAINABILITY STATEMENT

cont'd

1. MANAGING DIRECTOR'S STATEMENT

Dear valued stakeholders,

On behalf of the Board of Directors and the entire management team of GuocoLand (Malaysia) Berhad ("GLM" or the "Company"), I am honoured to present our Sustainability Report. This report is a testament to our growing commitment to sustainability, highlighting our various efforts to foster positive change within GLM and the wider community.

Our Board remains steadfast in overseeing GLM's sustainability performance in accordance with the sustainability reporting guidelines set forth by Bursa Malaysia Securities Berhad. We continue to exercise diligent vigilance in managing and monitoring our material Environmental, Social, and Governance matters.

The growing significance of sustainability across global industries underscores the importance of propelling progress, and we are pleased to have made advancements in our sustainability approach and undertaken diverse new and ongoing initiatives.

In our pursuit of environmental preservation, we continue to collaborate with external energy experts, seeking pragmatic and innovative solutions to further optimise energy consumption and reduce carbon emissions. We have also bolstered our responsible management of materials, energy water and waste.

Recognising the pivotal role of a skilled and resilient workforce in ensuring operational sustainability, we have made commendable headway in our succession planning and training endeavours. Training, experience and education of our people will play a key role in future-readying our workforce for the challenges that lie ahead and I am delighted to report that we achieved our target for the financial year ended 30 June 2023 ("FY2023") by providing 20 hours of training per employee.

It is encouraging to note that our unyielding emphasis on quality, health and safety has garnered accolades once again. We have clinched awards from esteemed award bodies such as the StarProperty Awards 2022/2023, the ASEAN Property Developer Awards 2022, The Edge Malaysia Best Managed & Sustainable Property Awards 2022 and Menara Guoco has just obtained Gold Green Building Certification from DBKL in August 2023.

These recognitions affirm our status as conscientious corporate citizen and fuels our dedication to intensifying our endeavours and elevating our sustainability achievements each year. Our recent alignment of our sustainability initiatives with the United Nations Sustainable Development Goals has further infused our efforts with purpose and inspiration.

I invite you, our valued stakeholders, and shareholders, to delve into this sustainability report to gain deeper insights into our multifaceted initiatives and the positive impacts they are nurturing. Together, we will strive and continue to work towards a brighter and more sustainable future for all.

2. ABOUT THIS SUSTAINABILITY REPORT

This report presents the annual sustainability performance of GLM for FY2023 i.e. for the period of 1 July 2022 to 30 June 2023, covering material ESG topics identified during the financial year ("FY").

Reporting Scope and Framework

This report is prepared in accordance with Global Reporting Initiative ("GRI") Standards: Core Option and adheres to sustainability reporting guidelines stipulated by Bursa Securities. This report focuses primarily on our property development and property investment businesses.

The data and information presented in this report have not undergone external assurance.

A softcopy of this report may be accessed on our website at www.guocoland.com.my. The Company remains committed to managing stakeholders' interests and addressing their concerns wherever possible. We appreciate your feedback regarding our sustainability report and sustainability performance. Please direct all comments, questions, and suggestions to glm.info@guocoland.com.

3. ABOUT GUOCOLAND (MALAYSIA) BERHAD

Listed on the Main Market of Bursa Securities, GLM is the Malaysian property arm of Hong Leong Group. The Company is an established property developer reputed for developing community-centric residential townships as well as innovative commercial and integrated development projects across Malaysia. GLM is a subsidiary of Singapore-based GuocoLand Limited, a multi-award winning premier regional property player with established operations in Malaysia, Singapore, and China.

Our business segments are organised into the following three sub-categories:

3.1 Property Development

GLM has accrued a diverse portfolio of residential, commercial, and industrial developments, with some of our most notable projects disclosed in the accompanying table.

Residential Development	Integrated Development	Commercial Development	Township Development
Emerald Hills @ Cheras The Oval Kuala Lumpur	Emerald 9 @ Cheras Damansara City	PJ City Commerce One	Emerald Sepang Emerald Rawang

3.2 Property Investment

In addition to property development, we are also active in property investment through Tower Real Estate Investment Trust ("Tower REIT"), which comprises commercial buildings such as Menara HLX, located in the Kuala Lumpur City Centre vicinity, Plaza Zurich in Damansara Heights and Menara Guoco in Damansara City. Our property investment portfolio also encompasses our DC Mall and DC car park properties in Damansara City.

3.3 Hospitality

GLM owns and operates Sofitel Kuala Lumpur Damansara, a 5-star luxury hotel that is part of the integrated development of Damansara City, located at Damansara Heights.

SUSTAINABILITY STATEMENT

cont'd

4. SUSTAINABILITY AT GUOCOLAND (MALAYSIA) BERHAD

4.1 Sustainability Governance

GLM acknowledges the fundamental role of sustainability in shaping a resilient and responsible business. Amidst a dynamic and competitive business landscape, our commitment to progress across the ESG spectrum is vital to maintaining our relevance and bolstering our ability to deliver positive financial results.

Board of Directors	Responsible for the establishment of sound sustainability governance structure and frameworks and oversees its effective implementation to ensure sustainability practices are embedded in business operations.
Board Audit & Risk Management Committee	Supports the Board to oversee the management of the Group's sustainability strategies and ESG risks.
Sustainability Committee	Consisting of senior management, our Sustainability Committee acts as the main enabler of GLM's sustainability strategies and initiatives.
Sustainability Working Committee	Consisting of managers or senior officers from Business Units and Support Units, these working committees bear responsibility for executing sustainability-related policies, procedures, and practices at the operational level.

Our Sustainability Framework

Our sustainability endeavours are steered by an established governance structure, led by the Board, and actively supported by the Board Audit & Risk Management Committee, the Sustainability Committee, and the Sustainability Working Committee. Each of these bodies has distinct roles and responsibilities, and works collectively to ensure identified sustainability initiatives and practices are effectively implemented across the Group and embedded into our operations.

Our sustainability model centres around an ecosystem of four key pillars representing our principles and value creation objectives: 'Towards a Greener Future', 'Empowering Our People', 'Conducting Business with Honour', and 'Caring for Our Community'. These pillars form the foundation of our material sustainability topics and have been further aligned with our contributions to eight of the UN SDGs.

Mission: GLM Sustainability Value Creation

Pillar 1	*Pillar 2*	*Pillar 3*	*Pillar 4*
Towards a Greener Future	***Empowering Our People***	***Conducting Business with Honour***	***Caring for Our Community***
We aim to reduce waste, improve our energy efficiency, and optimize our use of resources across all aspects of our operations, inculcating a Group-wide culture of caring for the environment and being a responsible corporate citizen.	We aim to create a safe, diverse, and welcoming working environment and culture in which our people are engaged, nurtured, and empowered to reach their full potential.	We aim to uphold good business ethics and integrity, developing sustainable long-term relationships with business partners built upon fairness, trust, and mutual benefit.	We aim to contribute to the betterment of society, spurring collective advancement and building meaningful relationships with local communities.

4. SUSTAINABILITY AT GUOCOLAND (MALAYSIA) BERHAD *cont'd*

4.1 Sustainability Governance *cont'd*

Supporting the UN SDGs

As an organisation, we are pleased to contribute to the United Nations' sustainable development agenda and its 17 UN SDGs, which collectively serve as a roadmap to forge a more promising future for everyone. By harmonising our efforts with the eight UN SDGs listed below, we infuse clearer purpose and significance to our sustainability efforts, inspiring us to consistently expand our future endeavours whenever feasible.

	We endeavour to support the good health and wellbeing of our people
	We endeavour to reduce water consumption and enhance water efficiency in our property developments
	We endeavour to increase our adoption of environmentally friendly energy sources
	We contribute to the economic progress of the nation, our people, and local communities
	We attempt to ensure sustainable consumption and production practices across our operations
	We seek to reduce our operational emissions and the carbon footprint of our developments
	We endeavour to protect nearby bodies of water from pollution caused by development activities
	We work towards promoting the protection and sustainable utilisation of terrestrial ecosystems

SUSTAINABILITY STATEMENT
cont'd

4. SUSTAINABILITY AT GUOCOLAND (MALAYSIA) BERHAD *cont'd*

4.2 Stakeholder Engagement

Engagement with key stakeholder groups during FY2023

We actively engage with our key stakeholders, as we value their feedback as a vital input to formulate and shape our sustainability strategies. Employing a diverse range of collaborative and communication channels, as depicted in the table below, we gain a deeper understanding of each stakeholder's respective expectations and concerns, enabling us to enhance and refine our operational practices and ESG policies.

Stakeholder	Method	Frequency	Topics raised	Our response
Employees 	o Employee volunteerism o Training and leadership courses o Performance review discussions o Staff Health and Safety o Internal newsletters and e-communications	o Weekly o Monthly o Annual o Ad hoc	o Training and development o Mental and physical health awareness	Refer to Empowering our People
Shareholders, Investors and Analysts 	o Annual General Meeting o Quarterly results announcements	o Annual o Quarterly	o Long term value creation o Growth strategies o Corporate Governance matters	Refer to Chairman's Statement and Management's Discussion & Analysis
Customers, Tenants and Homebuyers' Tenants 	o Social media engagement and outreach o Virtual meetings and tours of show units	o On-going o Ad hoc	o Greener spaces and Electric Vehicle charging facilities o Affordable housing o Healthy features o Multigenerational homes o Access to public transport o Use of recycled water for landscaping gardens	Refer to Towards a Greener Future and Product Quality, Health, and Safety

4. SUSTAINABILITY AT GUOCOLAND (MALAYSIA) BERHAD *cont'd*

4.2 Stakeholder Engagement *cont'd*

Stakeholder	Method	Frequency	Topics raised	Our response
Government and Regulators	o On-site inspections o In-person meetings o Health and safety regulations	o Regularly	o Environmental compliance o Labour standard o Bursa Securities listing requirements	Refer to Towards a Greener Future and Product Quality, Health, and Safety
Suppliers, Business Partners and Industry Groups	o On-site inspections o In-person meetings	o Regularly	o Occupational health and safety o Product quality, health and safety o Environmental compliance o Labour standards o Responsible supply chain	Refer to Occupational Health and Safety and Responsible Supply Chain
Community	o Community dialogue	o Ad hoc	o Social integration within local communities	Refer to Caring for Our Community
Board of Directors	o Board Meeting o Board Committee Meeting	o Quarterly o Ad Hoc	o Long-term value creation o Growth strategies Corporate Governance matters	Refer to Chairman's Statement; Management Discussion and Analysis; Corporate Governance Overview and Conducting Business with Honour

4.3 Materiality Assessment

In FY2023, we continued to evaluate our material matters to ensure that we focus our efforts on sustainability matters that have the most significant impact on our business growth or operations, and which are of primary relevance to our key stakeholders.

Through the identification of these material matters, our collective efforts as a Group remain closely aligned to our overall sustainability agenda. These material matters also provide the framework that guides our reporting within our sustainability report and forms the basis for the indicators that we use to track and measure our sustainability performance. Our materiality assessment process described below is undertaken in accordance with the GRI principles.

SUSTAINABILITY STATEMENT
cont'd

4. SUSTAINABILITY AT GUOCOLAND (MALAYSIA) BERHAD *cont'd*

4.3 Materiality Assessment *cont'd*

Identification	Prioritisation	Validation
An inventory of sustainability matters was identified based on internal and external sources, including previously identified material matters, sustainability guidelines, stakeholder interactions, peer benchmarking and media reviews.	We refined this list to prioritise matters based on their importance to the business and relevance to key internal and external stakeholders. Key management personnel were engaged to provide insights into the views and expectations of external stakeholders.	The shortlisted material matters, and materiality matrix were subsequently presented to the Senior Management for their endorsement, and thereafter to the Board of Directors for their approval and validation.

Based on our materiality assessment, we have expanded our reporting scope from six material topics last year to eight topics in FY2023, reflecting the evolution of the industry landscape as well as our desire to expand our initiatives. These topics have been categorised across four key pillars – Towards a Greener Future, Empowering Our People, Conducting Business with Honour, and Caring for Our Community – and are outlined in the accompanying table.

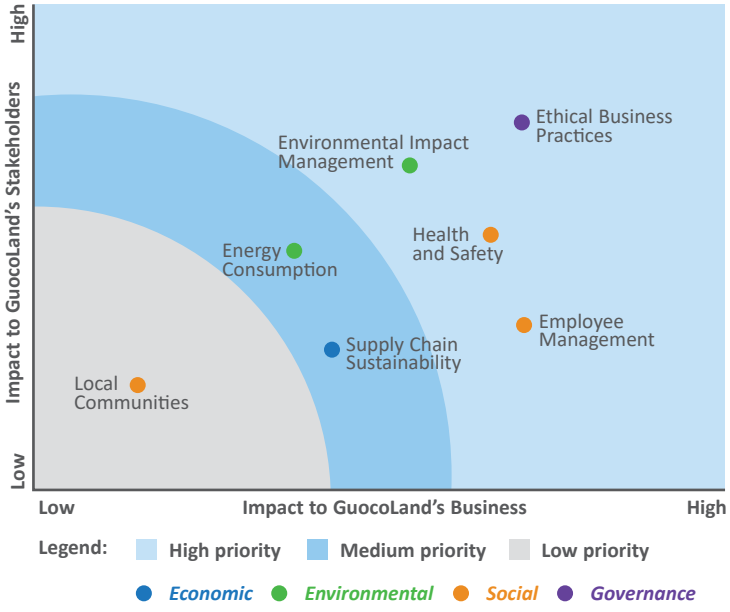
Material Topics	GRI Standard Reported	Geographical Boundary Reported for FY2023	Impact Boundary
Towards a Greener Future			
Energy Consumption	GRI 302: Energy GRI 305: Emissions	Malaysia	o Managed properties
Environmental Impact Management	GRI 301: Materials GRI 303: Water and Effluents GRI 306: Waste		
Empowering Our People			
Human Capital Development	GRI 402: Labour Management Relations GRI 404: Training and Education GRI 405: Diversity and Equal Opportunity	Malaysia	o Employees
Occupational Health and Safety	GRI 403: Occupational Health and Safety	Malaysia	o Employees o Regulators o Contractors
Conducting Business with Honour			
Product Quality, Health, and Safety	GRI 416: Customer Health and Safety	Malaysia	o Construction projects
Business Ethics and Anti-corruption	GRI 205: Anti-corruption GRI 418: Customer Privacy	Malaysia	o All business operations
Responsible Supply Chain	GRI 204: Procurement practices	Malaysia	o Construction projects o Contractors

4. SUSTAINABILITY AT GUOCOLAND (MALAYSIA) BERHAD *cont'd*

4.3 Materiality Assessment *cont'd*

Material Topics	GRI Standard Reported	Geographical Boundary Reported for FY2023	Impact Boundary
Caring for Our Community			
Local communities	GRI 413: Social responsibility towards local communities	Malaysia	o Communities

The materiality matrix shown below maps the significance of each topic to our business as well as its influence on stakeholder assessments and decisions.



GuocoLand's Material Matters for FY2023

1. **Ethical Business Practices**
   - Anti-corruption
   - Customer Privacy
2. **Environmental Impact Management**
   - Waste
   - Water and Effluents
   - Materials
   - Product and Service Responsibility
3. **Health and Safety**
   - Occupational Health and Safety
   - Customer Health and Safety
4. **Employee Management**
   - Diversity and Equal Opportunity
   - Labour Management Relations
   - Training and Education
5. **Energy Consumption**
   - Emissions
   - Energy
6. **Supply Chain Sustainability**
   - Procurement practices
7. **Local Communites**

5. TOWARDS A GREENER FUTURE

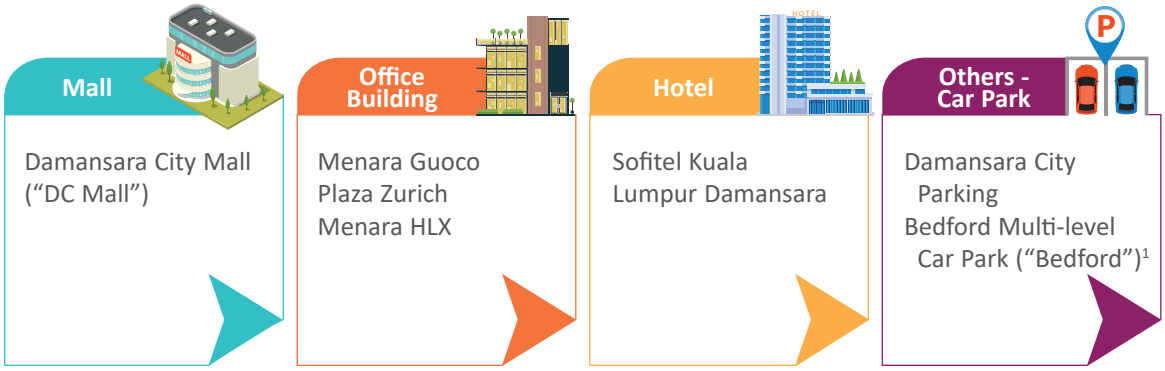
GLM remains dedicated to enhancing our environmental sustainability performance, which represents a pivotal facet of our sustainability framework. We are consistently seeking industry-relevant solutions and practices that we may adopt to enhance our efforts.

Our proactive strides towards a greener tomorrow encompass diverse measures, ranging from reducing energy usage and emissions, mitigating the potential impacts of climate change, improving our water consumption, and enhancing our waste management practices. We also seek to harness technology and environmentally friendly materials in our transitional journey to a low-carbon future.

SUSTAINABILITY STATEMENT
cont'd

5. TOWARDS A GREENER FUTURE *cont'd*

5.1 Energy savings at our managed properties



1. *Bedford is not included in the calculations of energy consumption as GLM has no operational control over this property. They have been leased out to external tenants who cover the electricity charges.*

As listed in the table above, GLM operates various properties that consume energy in their daily operations. In our ongoing efforts to optimise energy consumption at these premises, we have implemented Zero Cost Energy Management initiative by conducting fine tuning to our air-conditional system and will appoint a third-party energy consultant to inspect our buildings, namely Menara Guoco, Menara HLX, Plaza Zurich, DC Mall, and its car park, and provide guidance on energy saving actions we may undertake.

As part of this process, we have undertaken a careful assessment of our energy consumption trends and have begun installing intelligent energy monitoring devices to closely gauge energy utilisation, most notably on power intensive equipment such as the chillers at our DC Mall.

In addition to these energy monitoring devices, we have also implemented an energy savings monitoring system at Menara HLX and Plaza Zurich. The system enables us to benchmark a maximum limit on energy consumption in each building, with the management being notified when the limit is exceeded, facilitating a quick investigation and the undertaking of remediating actions where applicable. Menara Guoco has similarly been fitted with a building control system that facilitates monitoring of energy consumption via the digital power meter.

Further to this, we have identified lighting as a key opportunity to optimise and minimise energy consumption. To this end, we have implemented a zoning system for the lights in our DC Mall, including the car park, where we also installed LED lights to accrue progressive monthly energy savings. Motion sensors are deployed at Menara Guoco to curb unnecessary lighting, a practice we are soon expanding to our corporate office buildings in the near future.

Nevertheless, we have completed the chiller plant upgrade for Menara HLX in July 2023. The overall chiller plant performance has improved by about 62%. The chiller plant efficiency improved from 1.76kW/RT to about 0.67kW/RT. This is translated to an overall electricity savings of about 73,000kWh/month or equivalent to a remarkable 47% reduction in chiller plant energy consumption.

The details of the energy consumption at our managed properties in FY2023 are as follows:

Energy Type	FY2023
Electricity Consumption (GJ)	44,894
Petrol Consumption (GJ)	999
Liquefied Petroleum Gas (GJ)	3,623
Diesel Consumption (GJ)	38,750
Total Energy Consumption (GJ)	88,266

5. TOWARDS A GREENER FUTURE *cont'd*

5.2 Managing the energy and emissions of our developments

We strive to continually minimise the energy consumption and carbon footprint of our property development activities and have put into place various strategies, practices, and targets to guide and monitor our progress.

One objective is to reduce carbon monoxide emissions. To achieve this, we implemented a zero on-site open burning policy. At the same time, we aim to expedite our use of Tenaga Nasional Berhad ("TNB") electricity at all new project construction sites in order to minimise carbon monoxide emissions from diesel generators. By FY2024, we expect all new project sites to begin using TNB's power supply within two months from the initial commencement of construction activities.

We also target to install a 25kWp solar PV system on the upcoming Emerald Rawang Clubhouse in FY2024, advancing our adoption of renewable energy. We anticipate the solar energy system to contribute renewable energy to the electricity grid.

Concurrently, we have mandated that new projects utilise LED light bulbs at all common areas, which will provide a 30% reduction of power consumption compared to compact fluorescent bulbs.

Through these initiatives, we are pleased to contribute to the UN SDG 13 of Climate Action and have also set the following objectives and targets for our ongoing developments to underscore our commitment.

Energy and Emissions Targets

Development	Target	Target Year
Emerald Hills	Reduce emission of carbon monoxide	On-going
Emerald 9	Installation of LED lighting, timers and motion sensors to reduce electricity usage	On-going

5.3 Tackling climate change and minimising the environmental impact from our property developments

With the planning and development of our projects, we strive to mitigate our impact on the nearby natural environment while placing priority on meeting the needs of the local neighbourhood and community. Moreover, we are also cognizant of the diverse range of risks climate change poses to our property development, alongside the transitional risks linked to evolving policies and technologies.

SUSTAINABILITY STATEMENT
cont'd

5. TOWARDS A GREENER FUTURE *cont'd*

5.3 Tackling climate change and minimising the environmental impact from our property developments *cont'd*

Our efforts in this area are described in further detail below:

Menara Guoco, Plaza Zurich & Menara HLX	
Green Building	Menara Guoco is Green Building Index (GBI) certified and holds the Gold Leadership in Energy and Environmental Design (LEED). o The building focuses on increasing the efficient use of resources, such as energy, water, and materials, whilst minimising any negative impacts to human health and the environment during the building's lifecycle. This is achieved through optimised siting, design, construction, operation, maintenance, and removal. o The building automated system measures energy usage and the automatic control efficiency of the air conditioning system, including the Fan Coil Unit (FCU), Air Handling Unit (AHU) and chillers. o The building is equipped with a rain harvesting system to recycle rain and contains a cooling tower for water used for landscaping.
Climate Change	Installation of flood gate to mitigate the risk of flooding at Menara HLX.
Energy Efficiency	Public Electric Vehicle ("EV") charging station has been installed at DC Parking, with plans to explore additional EV charging stations at all managed buildings.

Emerald Hills, Emerald 9, Emerald Rawang & Emerald Sepang	
Climate Change	In our planning and development of these projects, we have considered the significant physical risks of climate change, such as floods, forest fires, heat waves and typhoons. To better manage such climate risks, we have constructed storm detention ponds in our Emerald Hills, Emerald Rawang and Emerald Sepang projects to retain flood water and release it slowly into creeks and rivers. We have also constructed On-Site Detention (OSD) tanks, designed by professional engineers, at Emerald 9 to ensure proper water drainage in our property development areas.
Energy Efficiency	In order to increase the energy efficiency in our property development projects, LED lighting has been utilised in Emerald Hills and will be used at Emerald 9 as well, which will lead to progressive monthly savings in energy. In Emerald Rawang, LED street lighting with automatic time-based dimming functions has been installed to reduce energy usage. Furthermore, we have implemented EV charging stations at Emerald Hills to encourage the use of sustainable modes of transport. Such EV charging stations will also be installed at Emerald 9.

5. TOWARDS A GREENER FUTURE *cont'd*

5.4 Water and effluents management in our property developments

We acknowledge water scarcity as a prominent global risk with substantial potential impacts in the coming decade. In response, we are committed to optimising our water consumption and elevating water efficiency in our property developments.

We have implemented a range of measures to achieve these objectives, with our primary initiatives elaborated upon below.

Rainwater Harvesting

We are committed to installing rainwater harvesting systems wherever possible across our developments, as it will serve to reduce the amount of municipal water consumed, especially for irrigation purposes. At Emerald Hills, all garden terrace units have been equipped with a rainwater harvesting system, while the installation of a rainwater harvesting system at Tower A and Tower B in Emerald 9 is due to be completed soon. We plan to install a rainwater harvesting system at Emerald Hub in Rawang during FY2024.

Rainwater is also harvested during construction, in Emerald Hills to reduce our reliance on piped water while, we are considering other solutions for reusing and recycling the water used for washing the wheels of our construction trucks.

Water Sub-Meter Installation

We have begun installing water sub-meters at suitable developments to enhance our monitoring of water usage and quickly detect potential leaks or other sources of irregular water consumption. We have installed water sub-meters at Tower A and Tower B in Emerald 9, with a similar installation also planned for Emerald Hub in FY2024.

Silt Trap and Sediment Pond

To improve the quality of effluent discharged into nearby bodies of water, we seek to utilise water filtration systems, such as silt traps and sediment ponds. We have implemented a membrane filtration system at the Central Lake in Emerald Hills, which has resulted in a significant decrease in phosphorous and E-coli bacteria during water tests, with the colour of the lake also improving. The water from the lake is used for daily landscape maintenance activities across the Emerald Hills, reducing our consumption of municipal water.

The details of our water consumption during FY2023 is as follows:

	Unit	FY2023
Water Consumption	m^3	499,525

In our efforts to contribute to the UN SDG 6 of Clean Water and Sanitation, we have committed to the following targets.

Water and Effluents Targets

Development	Target	Target Year
Emerald Hills	Minimise and reduce the usage of water from Pengurusan Air Selangor Sdn. Bhd.	On-going
Emerald 9	Installation of rainwater harvesting system to reduce water usage	On-going

SUSTAINABILITY STATEMENT
cont'd

5. TOWARDS A GREENER FUTURE *cont'd*

5.5 Waste management in our property developments

As a conscientious conglomerate, GLM acknowledges the significance of reducing the generation of construction waste in our property developments, while adopting environmentally friendly construction processes and materials.

We have substituted brick wall partitions with non-load bearing reinforced concrete walls as part of our efforts to minimise construction waste at Emerald 9. Additionally, across a substantial portion of our projects, we have transitioned from timber formwork to materials such as aluminium or steel moulds, as these can be reused for a greater number of cycles.

We also place emphasis on material reutilisation and recycling. In Emerald Hills, we have renovated the clubhouse and common area by repurposing existing show unit furniture, while directing recyclable construction waste to appropriate recycling centres and repurposing structural steel for the construction of temporary sales galleries. We practice the recycling of rebar materials and scrap metals and procure our BRC mesh reinforcements in the exact required size to reduce wastage. Meanwhile, at Emerald 9, we employed excess and damaged bricks to build temporary roadways, effectively recycling construction waste.

As part of our strategy to ensure the responsible and secured management of waste disposal, we enlisted licensed waste collectors to schedule the collection of both hazardous and non-hazardous waste construction and domestic waste at Emerald 9. We also encourage the adoption of eco-friendly chemicals by our business collaborators and contractors during the construction phase of the Emerald Hills project.

The details of our waste generation and management during FY2023 is as follows:

Breakdown by Management Method	Unit	FY2023
Reuse	tonnes	116
Recycling	tonnes	510
Landfill	tonnes	6,858

Waste Management Target

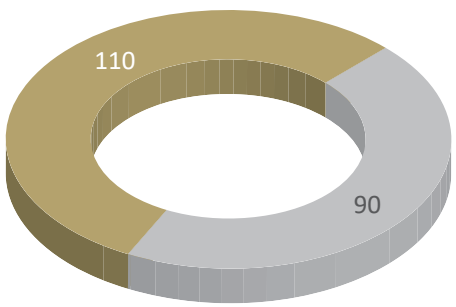
To spur our ongoing efforts to enhance our waste management practices, we have set the following target for recycling rebar material at Emerald 9:

Development	Target	Target Year
Emerald 9	Recycle rebar material during structure work	On-going

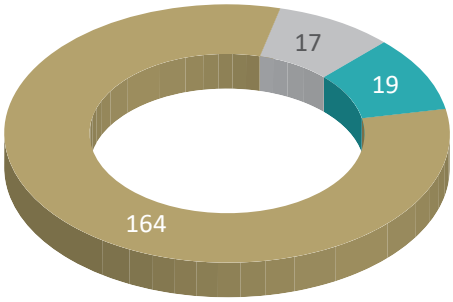
6. EMPOWERING OUR PEOPLE

We recognise and value the vital contribution of our employees in ensuring our operational sustainability and driving GLM towards our goals and objectives. We aspire to cultivate a working environment and culture that is conducive, inclusive, diverse, supportive, and rewarding. In doing so, we create a workplace that empowers each individual, fostering a sense of belonging and purpose that amplifies our collective impact.

6.1 Our employee profile



Male Female



<30 years 30-50 years >50 years

6.2 Human Capital Development

Attracting, retaining, and nurturing talent are important for the Group's long-term progress. Our aim is to establish a constructive workplace atmosphere that nurtures personal advancement while propelling business objectives.

During FY2023, our strategic focus revolved around cultivating succession planning, a facet integral to human capital development. We persistently uphold this commitment by providing leadership development initiatives for eligible employees, effectively preparing them for their future roles. At the same time, we have put into place plans to provide both technical and soft skills training to enhance our employees' personal and professional development.

6.3 Listening to our employees

We believe in the importance of supporting the health and well-being of our employees and have set up the GLM Sports and Social Committee to serve this purpose. Considering the expectations and needs of our people, the committee is tasked with organising a variety of employee engagement activities throughout the year. During FY2023, we also participated in the Annual Sports Day organised by the Hong Leong Manufacturing Group.

6.4 Employees' benefit and welfare

We value the efforts of our employees and strive to ensure they feel appreciated and recognised for their contributions. We are dedicated to maintaining a supportive work environment and will continue to provide competitive benefits that inspire our employees to fulfil their potential.

6.5 Training and developing our people

Our aspiration is to become an employer of choice that prioritises staff growth and development. All team members are encouraged to take part in trainings, workshops and educational programmes aimed at honing their skills and keeping them updated with industry requisites and trends.

SUSTAINABILITY STATEMENT
cont'd

6. EMPOWERING OUR PEOPLE *cont'd*

6.5 Training and developing our people *cont'd*

We identify and address employees' training needs during appraisal discussions. This paves the way for tailored training schemes grounded in individual requirements. During FY2023, a townhall was held to share GLM's future plans and growth strategies with employees.

The courses and training events attended by our employees during FY2023 are listed below:

No.	Date	List of Training [Jul'22 to Jun'23]
1	16/7/2022	Webinar: Tardiness
2	18-22/7/2022	ISO9001:2015 QMS Lead Auditor
3	25-26/7/2022	Leadership Program
4	8-10/8/2022	Marketing & Leasing
5	11-13/8/2022	Mall Operations & Management
6	15-19/8/2022	Certified Environmental Professional in Scheduled Waste Management
7	23-24/8/2022	Master Class Effective Contract Administration & Management
8	6/9/2022	ESG Risk Identification and Materiality
9	7/9/2022	Thinking-On-The Job
10	9/9/2022	Sales Star Inventor: Guide to SSI Profiling
11	12/9/2022	E9 Product Training
12	29/9/2022	Sales Star Inventory: Group Debriefing SSI
13	4/10/2022	Sales Star Inventory: Pit Stop/Virtual Coaching
14	5/10/2022	MAICSA Annual Conference
15	6-7/10/2022	Transform Your Customer Experience into Partnership
16	12/10/2022	Health Talk by Columbia Asia Hospital – Healthy Lifestyle
17	14/10/2022	Sales Star Inventory: Relationship Selling
18	15/10/2022	Teambuilding; Emerald Rawang Hiking
19	18/10/2022	M-REITS's & The Road Ahead
20	19/10/2022	Amendment to Employment Act
21	8/11/2022	CIPAA
22	9/11/2022	Anti-Money Laundering
23	11/11/2022	Market Outlook Using fundamental Indicators
24	14/11/2022	Sales Breakthrough: Module 2 – Influential Selling Workshop
25	23-24/11/2022	Property Development: Head of Sales Summit & Industry Brainstorming
26	7/12/2022	Immersive Exercise Involving Dawn Raid, Data Breach, Corruption
27	11/1/2023	Sales Breakthrough: Module 3: Consultative Selling – Workshop
28	12 – 13/1/2023	Basic First Aid & CPR
29	19/1/2023	ISO 9001 Awareness Training for New Staff
30	2/2/2023	Sales Breakthrough: Module 3: Consultative Selling – Coaching

6. EMPOWERING OUR PEOPLE *cont'd*

6.5 Training and developing our people *cont'd*

No.	Date	List of Training [Jul'22 to Jun'23]
31	8 – 9/2/2023	ASEAN Finance Innovation Summit - Cutting Edge Strategic and Technology Practices for Financial Transformation
32	14/2/2023	Seminar Dasar Dan Mekanisma Penawaran Rumah Selangorku 3.0
33	20/2/2023	Capital Market Graduate Programme
34	27/2/2023	Leading High Performance Teams
35	9/3/2023	Seminar On Managing Long Covid at The Workplace
36	16/3/2023	Deloitte Taxmax: Building A Sustainable and Resilient Future
37	3/4/2023	Adopting ESG Methodology in Portfolio Management
38	4/4/2023	Financial Statement Frauds
39	5/4/2023	Market Outlook Using Technical Indicators
40	6/4/2023	The New Social Media Driven Business Model And Its Implication To The Capital Market
41	14/4/2023	Unlocking Tiktok as A Branding & Marketing Tool
42	18/4/2023	Health Talk by Columbia Asia Hospital – Diebetes
43	9/5/2023	Microsoft Office Excel 2019 - Intermediate Level
44	10/5/2023	Microsoft Office Excel 2019 - Advance Level
45	10 – 11/5/2023	Water Quality Ponds and Wetlands
46	17 – 18/5/2023	MBAM Annual Safety & Health Conference 2023
47	17 – 18/5/2023	Income Tax / PCB + EPF Act 1991, SOCSO Act 1969 & EIS (2018)
48	17/5/2023	Qlassic Awareness
49	22/5/2023	Microsoft Office Excel Pivot Table
50	23/6/2023	Health Talk by Columbia Asia Hospital – Ergonomics & Sitting Posture
51	26 - 27/6/2023	Bursa Malaysia Mandatory Accreditation Programme (MAP)
52	27/6/2023	Anti Bribery and Corruption Policy (Refresher) - Background And Corruption Offences Under SPRM Act 2009

We are committed to enhancing our approach towards employee training, as we expand our contribution towards the UN SDG 8 of Decent Work and Economic Growth. To this end, we have set and achieved our target for employee training hours during FY2023.

Our Training and Development Target

To achieve average 20 hours of training/year for all employees by FY2024

6.6 Diversity and Equal Opportunity

Diversity is important as we are empowered to make more informed and well-rounded decisions when we consider a broad range of views. Currently with 45% men and 55% women, we are pleased to maintain a reasonable gender diverse workforce.

SUSTAINABILITY STATEMENT
cont'd

6. EMPOWERING OUR PEOPLE *cont'd*

6.6 Diversity and Equal Opportunity

Our Performance

Employee New Hire & Turnover by Age during FY2023

New Hires	Headcount
Less than 30 years old	13
Between 30 and 50 years old	33
Over 50 years old	1
Total	**47**

Employee Turnovers	Headcount
Less than 30 years old	6
Between 30 and 50 years old	32
Over 50 years old	4
Total	**42**

Employee New Hire & Turnover by Gender during FY2023

New Hires	Headcount
Male	22
Female	25
Total	**47**

Employee Turnovers	Headcount
Male	16
Female	26
Total	**42**

Average Training Hours per Employee Category during FY2023

Employee Category	Total Number of Staff	Average Training Hours
Manager	70	19.88
Non-manager	89	22.18
Total	**159**	**42.06**

6.7 Occupational Health and Safety

Given the nature of our business operations, we are cognizant of our exposure to various health and safety risks. To safeguard our people, we diligently adhere to all relevant health and safety regulations and have instituted multiple measures to bolster the well-being of our employees, workers, contractors, and local communities.

6. EMPOWERING OUR PEOPLE *cont'd*

6.7 Occupational Health and Safety *cont'd*

To ensure a secure and healthy work atmosphere, we require all contractors to designate a safety officer onsite and organise safety meetings regularly to ensure all workers remain aware of safety protocols. We consistently supply our employees with personal protective equipment, encompassing face masks, hand sanitisers and gloves. Our front-line staff, who face heightened risks due to their close interactions with numerous individuals, are additionally equipped with face shields for added protection in line with their job demands.

Our implementation of advanced technological systems enables secure and reliable remote access to servers, information and filing systems. Our Business Continuity Plan (BCP) further entails physical separation of teams when operating in office spaces.

Performance

In FY2023, there were zero cases of fatalities, high consequence work-related injuries and recordable work-related injuries to any of our employees and contracted workers. We are committed to enhancing our performance and maintaining our impeccable track record with an ongoing target of maintaining zero fatalities at all development sites.

Our Health and Safety Target

To maintain ZERO fatalities at all sites

7. CONDUCTING BUSINESS WITH HONOUR

7.1 Product Quality, Health, and Safety

In our industry, upholding our credibility and reputation hinges on the quality and safety of our buildings. Our customers place a premium on stringent quality benchmarks and robust health and safety features in our developments.

A testament to our elevated standards of quality and safety is the array of awards we consistently receive each year. These accolades underscore the diligent endeavours we undertake, with our most recent recognitions listed below.

Malaysia Developer Awards 2022
- Top-of-the-Chart Awards
- Top 10 for Market Cap below RM1 Billion

Sin Chew Business Excellence Award 2022
- Property Excellence Awards

ASEAN Property Developer Awards 2022
- Best Developer Award

StarProperty Awards 2022/2023
- All-Stars Award
- The Family-Friendly Award: Landed Excellence) – Emerald Rawang
- The Best Low-Density Award (Excellence) – Emerald Hills

PropertyGuru Asia Awards 2022
- Best Lifestyle Developer
- People's Choice Awards
- Special Recognition in ESG
- Best Smart Building Development – Emerald 9

The Edge Malaysia Best Managed & Sustainable Property Awards 2022
- Below 10 Years: Single-owned Office in a Mixed Strata Category (Gold Winner) – Guoco Tower



SUSTAINABILITY STATEMENT
cont'd

7. CONDUCTING BUSINESS WITH HONOUR *cont'd*

7.1 Product Quality, Health, and Safety

7.1.1 Delivering safe and quality buildings

Our buildings undergo evaluations to gauge their safety and quality benchmarks and are inspected by the Quality Assessment Systems in Construction ("QLASSIC"), a system that awards points for structural integrity, architectural aspects, and monitoring and evaluation procedures. Furthermore, we actively participate in conferences and training sessions to remain abreast of industry benchmarks and optimal approaches.

In our pursuit of progress in safety and quality, we have established continuous goals to uphold exceptional standards. These encompass achieving a baseline BUILDQAS/QLASSIC rating of at least 78% for all our developments, attaining a 100% compliance record in terms of safety with zero penalties, as well as adhering to all slope safety prerequisites in our projects.

We have also established practices at our hotel to enhance our performance, with a leading quality assurance ("LQA") auditor being engaged once a year to evaluate our services in accordance with the Sofitel standards. Having targeted to achieve an LQA benchmark of 85% and above, we have organised training and SOP reviews with all HOD's during FY2023.

7.1.2 Providing after sales support

We extend after-sale services via our Customer Relationship Management ("CRM") division. This division takes charge of addressing customer feedback pertaining to any concerns or faults arising after the unit has been handed over.

We adhere to established practices such as resolving all reported issues at no additional charge during the period specified in our sales and purchase agreement. All defects are reported and documented on a fortnightly basis.

7.1.3 Embedding health and safety features into our developments

Ensuring secured and healthy living is paramount in all our property projects. Our properties feature regulated access, aligning with our commitment to creating a safe environment. Well-conceived communal spaces are incorporated to foster wholesome community engagements. We also use materials that meet our safety criteria.

Performance

In FY2023, we are pleased to have achieved a noteworthy 83% QLASSIC score for our Emerald Rawang 12 Points shop offices, along with a 81% QLASSIC score for our Garland terrace houses. Emerald Hills Terrace also achieved a 83% QLASSIC score while Emerald Hills South Towers Condo attained a BuildQAS score of 80.8%.

These scores fall within the targets that we have set and reflect our ongoing dedication to maintaining high standards of safety and quality across our developments.

7. CONDUCTING BUSINESS WITH HONOUR *cont'd*

7.1 Product Quality, Health, and Safety *cont'd*

7.1.3 Embedding health and safety features into our developments *cont'd*

Product Quality, Health, and Safety Targets

Business Segment	Target	Target Year
Property development	To achieve a minimum BUILDQAS/QLASSIC rating of at least 78%	On-going
Property development	Maintain zero incidents of non-compliance with building safety matters for new constructions	On-going
DC Mall and Parking	Maintain zero on-site accidents resulting in a fatality	On-going
Hotel	Achieve LQA assessment score of 85% and above	On-going

7.2 Business Ethics & Anti-corruption

We are committed to valuing and upholding the business integrity, transparency, and honesty across all our operations. As we adhere to these important standards, we strive to cultivate strong levels of trust and loyalty among our stakeholders and clients.

7.2.1 Fair marketing

Maintaining customer trust hinges on equitable marketing practices. We conduct in-house briefings for our real estate agents, who play a pivotal role in serving potential home buyers. All agents are equipped with insights into GLM's sales and marketing policies, ensuring consistent, accurate and timely communication with potential buyers. To ensure fair marketing practices, we provide disclaimers for all online visuals and physically verify claims about distances to nearby amenities, aligning them with the information on our website.

7.2.2 Engaging with our communities

We organise public festive events at our sales galleries, serving as a platform for community engagement, fostering customer interactions and unveiling new offerings. Additionally, we participated in the Hong Leong Group Scholarship Award initiative during FY2023, which provides aid for the college or university education of GLM employees' children, exemplifying our commitment to supporting their educational pursuits.

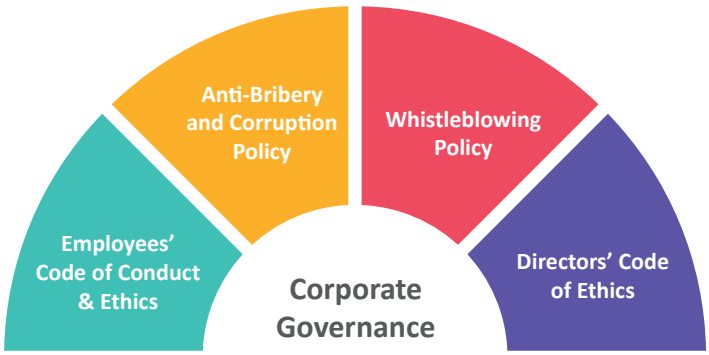
SUSTAINABILITY STATEMENT
cont'd

7. CONDUCTING BUSINESS WITH HONOUR *cont'd*

7.2 Business Ethics & Anti-corruption *cont'd*

7.2.3 Corporate Governance

At GLM, we hold the significance of business integrity, honesty, and transparency in high regard across all our business operations. Our corporate governance framework rests on four fundamental pillars, as outlined below, and articulates our approach to managing risks such as corruption, data breaches and fraud within the organisation.



Employees' Code of Conduct & Ethics

During the induction and onboarding process, every GLM employee undergoes an orientation on the Group Code of Conduct and Ethics. This document establishes guidelines for ethical business conduct and anti-corruption practices that all employees must acknowledge and adhere to. Trainings are also provided to intensify the significance of complying with anti-corruption and personal data protection regulations when sharing confidential information with third parties.

Adhering to the Personal Data Protection Act ("PDPA"), our Employees' Privacy Policy ensures that employees grant consent for the use of their personal details for matters pertaining to their employment with the Company. In line with our Code of Conduct, maintaining the confidentiality of acquired employee data is paramount. A defined procedure for immediate critical incident reporting is in place to manage breaches and mitigating their impact across relevant stakeholders. As part of our evolving digital transition, data accessibility is limited to designated personnel, curtailing potential privacy risks.

Anti-bribery and Corruption Policy

Our company is committed to maintaining the highest standards of ethics and integrity. The Anti-bribery and Corruption Policy is in place to ensure that all our employees, partners, and stakeholders act with honesty, transparency, and compliance with applicable laws and regulations. This policy enhances our dedication to conducting business with integrity, safeguarding our reputation, and fostering trust in all aspects of our organisation.

7. CONDUCTING BUSINESS WITH HONOUR *cont'd*

7.2 Business Ethics & Anti-corruption *cont'd*

7.2.3 Corporate Governance *cont'd*

Anti-bribery and Corruption Policy *cont'd*

Communication of our anti-corruption policies and procedures

Board of Directors
100% have been informed of our anti-corruption policies
100% have undergone anti-corruption training

Employees
100% have been informed of our anti-corruption policies
70% have undergone anti-corruption training

Whistleblowing Policy

GLM has established a whistleblowing policy that provides clear guidelines for reporting illicit or unethical behaviour and practices. Confidential treatment of reported incidents is ensured, and informants are safeguarded against repercussions like unjust dismissal, victimisation, or undue disciplinary measures.

Director's Code of Ethics

In our pursuit of cultivating a culture free from corruption, we believe in initiating this endeavour from the top management. In alignment with this vision, GLM's Board of Directors adheres to the Code of Ethics for Company Directors issued by the Companies Commission of Malaysia, which is grounded in principles centred on transparency, integrity, accountability, and corporate social responsibility.

Performance

In FY2023, no issues relating to corruption were reported. There were zero cases of staff dismissal, fines, disciplinary action nor grievances registered on matters relating to corruption. There were also no reports of breaches in customer data privacy during FY2023.

7.2.4 Intellectual property rights

GLM steadfastly adheres to relevant intellectual property regulations within our operational jurisdictions to protect intellectual assets. A clause pertaining to intellectual property rights has been incorporated into our Letter of Award as an additional safeguard.

7.3 Responsible Supply Chain

In our property development business, collaboration with a range of contractors and sub-contractors is intrinsic. We acknowledge the potential environmental and societal impacts across our supply chain and are resolute in diminishing such risks in our partnerships with suppliers.

SUSTAINABILITY STATEMENT
cont'd

7. CONDUCTING BUSINESS WITH HONOUR *cont'd*

7.3 Responsible Supply Chain *cont'd*

ESG considerations bear substantial weight in our selection of prospective suppliers and contractors. Our tender procedures encompass social and environmental prerequisites, including the prohibition of activities leading to environmental pollution and the implementation of eco-friendly waste disposal practices. Notably, the new tender for upcoming phases in our Emerald 9, Emerald Sepang, and Emerald Rawang projects integrates ISO 14001 Environmental Management System as a requirement in the tender documentation.

Contractors awarded contracts are obligated to adhere to site and public safety stipulations, which includes compliance with prevailing regulations, by-laws, statutory requisites and the Occupational Safety and Health Act 1994 (Act 514). Furthermore, stringent adherence to standard operating procedures is mandated and compliance with governmental mandates is required when engaging with contractors. This is vital to ensuring the health and safety of our construction workforce and sites.

Recognising the pivotal role of responsible procurement in sustainable operations, GLM places emphasis on local sourcing of materials, which not only curtails the overall carbon footprint but also lends support to local communities. To forge a greener and more competitive supply chain, we collaborate with procurement partners to opt for local material sourcing whenever feasible. Our Emerald 9 project exemplifies this approach, where continuous engagement with consultants and contractors ensures the use of local construction materials wherever possible, thereby reducing carbon emissions attributable to imported materials transportation. A similarly conscientious practice is evident in our Emerald Hills project, where we have also sourced construction materials locally to diminish the project's environmental impact and mitigate against shipment delays.

Our Responsible Supply Chain Target

To progressively enhance our contribution to the UN SDG 8 of Decent Work and Economic Growth, we have enhanced oversight of our supply chain. To this end, we assess suppliers for good procurement practices and ascertain that they strictly adhere to our company policies and expectations. Our assessment criteria include expecting suppliers to source at least 50% of their materials locally, as well as ensuring they are equipped to fully comply with and execute the approved Environmental Safety and Health ("ESH") plan throughout the duration of their contract.

As of FY2023, we have committed to only engage with responsible suppliers that fulfil 100% of our sustainability criteria.

8. CARING FOR OUR COMMUNITY

As a responsible corporate entity, we dedicate ourselves to generating a positive influence on local communities and society. Our project department spearheads our efforts in organising initiatives to aid those in need, while also motivating our employees to engage in voluntary endeavours that yield societal benefits.

Free kiosk rental for marginalised communities

As part of our efforts to promote the craft works of marginalised communities, we provided rental free kiosks in DC Mall for six months from 1 August 2022 to 31 January 2023.

8. CARING FOR OUR COMMUNITY *cont'd*

Emerald 9 community event support

Our Emerald 9 management contributed to two community events organised by the MPKJ Councillor during FY2023.

In August 2022, we contributed to the E9's Neighbourhood Event titled 'Pertandingan Kejiranan Tercantik', which aimed at creating a caring, cooperative, and harmonious neighbourhood, while in February and March 2023, we supported a local community recycling programme.

Helping flood victims

We encourage any member of the GLM family impacted by floods to reach out to our HR department to seek assistance, which may include the donation of essential suppliers and the provision of temporary shelter, amongst others.

School upkeep support

We contribute, when possible, to the preservation of local education institutions. In February 2023, we participated in the roadside curb painting and refurbishment event held at the school compound of SJK (C) Kota Emerald at Emerald Rawang.

Charity events galore @ Sofitel

Our hotel operations organised a variety of charitable events during the year, including:

- Delivering pre-packed lunches and 'yee sang' to En Yuan Old Folks home in PJ to bring them some CNY cheer in February 2023
- Invited 40 under privileged children from Rumah Al Firdausi to our hotel for buka puasa at Kwee Zeen restaurant in April 2023
- Took part in a charity event organised by MAH KL Chapter, donating money via DuitNow to two welfare homes in KL & PJ
- Collaborated with Kechara Food Bank to donate excess food from our Buka Puasa buffet at Kwee Zeen during Ramadan
- Distributed 60 pre-packed lunches to Lovely Nursing Centre, a welfare home for OKU individuals, in June 2023.
- Distributed 100 pre-packed lunches at Warung Makan Sahabat in Chow Kit to feed the homeless in July 2023

9. OUR MEMBERSHIPS AND EXTERNAL CERTIFICATIONS

External Certifications

ISO 9001:2015

Memberships

Construction Industry Development Board (CIDB)
The International Real Estate Federation (FIABCI)
Real Estate and Housing Developer's Association Malaysia (REHDA)
Malaysia Shopping Mall Associate (PPKM)
Malaysia Green Building Federation
Building Management Associate Malaysia (BMAM)

SUSTAINABILITY STATEMENT

cont'd

10. GRI STANDARDS CONTENT INDEX

Disclosure Number	Disclosure Title	Section of Report
General disclosures		
102-1	Name of the organisation	About GuocoLand (Malaysia) Berhad
102-2	Activities, brands, products, and services	
102-3	Location of headquarters	
102-4	Location of operations	
102-5	Ownership and legal form	
102-6	Markets served	
102-7	Scale of the organisation	
102-8	Information on employees and other workers	Empowering Our People: Human Capital Development
102-9	Supply chain	Conducting Business with Honour: Responsible Supply Chain
102-10	Significant changes to the organisation and its supply chain	
102-11	Precautionary Principle or approach	Sustainability at GuocoLand (Malaysia) Berhad
102-12	External initiatives/charters	Our Memberships, External Initiatives and Charters
102-13	Membership of associations	
102-14	Statement from senior decision-maker	Group Managing Director's statement
102-16	Values, principles, standards, and norms of behaviour	Conducting Business with Honour
102-18	Governance Structure	Sustainability at GuocoLand (Malaysia) Berhad
102-40	List of stakeholder groups	Stakeholder Engagement
102-42	Identifying and selecting stakeholders	Stakeholder Engagement
102-43	Approach to stakeholder engagement	
102-44	Key topics and concerns raised	
102-45	Entities included in the consolidated financial statements	Annual Report
102-46	Defining report content and topic boundaries	About this Sustainability Report
102-47	Lists of material topics	Sustainability at GuocoLand (Malaysia) Berhad
102-48	Restatement of information	Nil
102-49	Changes in reporting	Nil
102-50	Reporting period	Annual
102-51	Date of most recent report	30 June 2022
102-52	Report cycle	About this Sustainability Report
102-53	Contact point for questions regarding the report	
102-54	Claims of reporting in accordance with the GRI Standards	
102-55	GRI content index	GRI Standards Content Index
102-56	External assurance	About this Sustainability Report

10. GRI STANDARDS CONTENT INDEX *cont'd*

Disclosure Number	Disclosure Title	Section of Report
Specific disclosures		
GRI Standard: Energy and Emissions		
103-1/2/3	Management Approach	Towards a Greener Future
302-1	Energy consumption within the organisation	
302-4	Reduction of energy consumption	
GRI Standard: Employment		
103-1/2/3	Management Approach	Empowering Our People: Human Capital Development
401-1	New employee hires and employee turnover	
GRI Standard: Training and Education		
103-1/2/3	Management Approach	Empowering Our People: Human Capital Development
404-1	Average training hours per year per employee	
GRI Standard: Occupational Health and Safety		
103-1/2/3	Management Approach	Empowering Our People: Occupational Health & Safety
403-9	Work-related injuries	
GRI Standard: Customer Health and Safety		
103-1/2/3	Management Approach	Conducting Business with Honour: Product Quality, Health, and Safety
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	
GRI Standard: Customer Privacy		
103-1/2/3	Management Approach	Conducting Business with Honour: Business Ethics & Anti-Corruption
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	
GRI Standard: Anti-Corruption		
103-1/2/3	Management Approach	Conducting Business with Honour: Business Ethics & Anti-Corruption
205-3	Confirmed incidents of corruption and actions taken	

BOARD AUDIT & RISK MANAGEMENT COMMITTEE REPORT

CONSTITUTION

The Board Audit & Risk Management Committee ("Committee") of GuocoLand (Malaysia) Berhad ("GLM" or the "Company") has been established since 23 March 1994.

COMPOSITION

Mr Peter Ho Kok Wai
Chairman, Independent Non-Executive Director

Encik Zulkiflee bin Hashim
Independent Non-Executive Director

Ms Patricia Chua Put Moy
Independent Non-Executive Director

SECRETARY

The Secretary to the Committee is Ms Chin Min Yann who is the Company Secretary of GLM.

AUTHORITY

The Committee is authorised by the Board of Directors ("Board") to review any activity of the Group within its Terms of Reference, details of which are available on the Company's website at www.guocoland.com.my. The Committee is authorised to seek any information it requires from any director or member of management and all employees are directed to co-operate with any request made by the Committee.

The Committee is authorised by the Board to obtain independent legal or other professional advice if it considers necessary.

MEETINGS

The Committee meets at least four (4) times a year and additional meetings may be called at any time as and when necessary. All meetings to review the quarterly reports and annual financial statements are held prior to such quarterly reports and annual financial statements being presented to the Board for approval.

The head of finance, head of internal audit, risk manager, Group Managing Director/Managing Director and senior management may attend Committee meetings, on the invitation of the Committee, to provide information and clarification required on items on the agenda. Representatives of the external auditors are also invited to attend the Committee meetings to present their audit scope and plan, audit report and findings together with management's response thereto, and to brief the Committee members on significant audit and accounting areas which they noted in the course of their audit.

Issues raised, discussions, deliberations, decisions and conclusions made at the Committee meetings are recorded in the minutes of the Committee meetings. Where the Committee is considering a matter in which a Committee member has an interest, such member abstains from reviewing and deliberating on the subject matter.

Two (2) members of the Committee, who shall be independent, shall constitute a quorum.

After each Committee meeting, the Chairman of the Committee shall report and update the Board on significant issues and concerns discussed during the Committee meetings and where appropriate, make the necessary recommendations to the Board.

BOARD AUDIT & RISK MANAGEMENT COMMITTEE REPORT

cont'd

ACTIVITIES

An annual assessment on the performance and effectiveness of the Committee and each of its members for the financial year ended 30 June 2023 ("FY2023") was carried out by the Nominating Committee ("NC"). The NC and the Board are satisfied that the Committee and its members had carried out their duties in accordance with the Committee's Terms of Reference.

During FY2023, five (5) Committee meetings were held and the attendance of the Committee members was as follows:

Member	Attendance
Mr Peter Ho Kok Wai	5/5
Encik Zulkiflee bin Hashim	5/5
Ms Patricia Chua Put Moy	5/5

The Committee carried out the following key activities during FY2023:

- Reviewed the quarterly reports and annual financial statements of the Group prior to submission to the Board for consideration and approval.
- Reviewed and recommended to the Board for approval the Board Audit & Risk Management Committee Charter and Internal Audit Charter.
- Held two (2) separate sessions with the external auditors without the presence of Executive Director and management. During the separate sessions, no critical issues were raised and the external auditors conveyed that they had been maintaining a good professional Auditor-Client working relationship.
- Met with the external auditors and discussed the Annual Audit Plan 2023 on the nature and scope of the audit, considered significant changes in accounting and auditing issues, where relevant, reviewed the management letter and management's response, reviewed pertinent issues which had significant impact on the results of the Group and discussed applicable accounting and auditing standards.
- Discussed with the external auditors the potential key audit matters, other significant audit matters and other audit matters identified by the external auditors.
- Reviewed and recommended to the Board for approval, the audit and non-audit fees payable to the external auditors in respect of services provided to the Group. It also reviewed the provision of non-audit services by the external auditors to ascertain whether such provision of services would impair the external auditor's independence or objectivity. Details of non-audit fees incurred by the Group for FY2023 are stated in notes to the financial statements.
- Assessed the performance, suitability, independence and objectivity of the external auditors, taking into consideration factors such as quality of service, adequacy of experience and resources of the firm and the professional staff assigned to the audit, and communication and interaction, and made recommendation to the Board for shareholders' approval on the re-appointment of the external auditors.
- Reviewed the adequacy and integrity of internal control systems, including risk management and relevant management information system. It also reviewed the processes put in place to identify, evaluate and manage the significant risks encountered by the Group.
- Met with the internal auditors and approved the annual audit plan and also reviewed the internal audit findings and recommendations.
- Reviewed the Policy and Procedure of Recurrent Related Party Transaction and various recurrent related party transactions ("RRPTs") carried out by the Group.
- Reviewed the proposed mandate for RRPTs with various related parties prior to Board's recommendation for shareholders' approval.

BOARD AUDIT & RISK MANAGEMENT COMMITTEE REPORT
cont'd

ACTIVITIES *cont'd*

The Committee carried out the following key activities during FY2023: *cont'd*

- Reviewed the Statement on Risk Management and Internal Control ("SORMIC") of the Group, and received the report of the external auditors in respect of their review on the SORMIC prior to Board's approval for inclusion in the Company's Annual Report.
- Reviewed and recommended to the Board for approval the Board Audit & Risk Management Committee Report for inclusion in the Company's Annual Report.
- Reviewed Anti-bribery and Corruption Management System ("ABCMS") Report comprises the ABCMS activities and progress update.
- Reviewed and recommended to the Board for approval the Anti-bribery and Corruption Policy.
- Reviewed the Environment, Social and Governance Report on quarterly basis.
- Reviewed and recommended to the Board for approval the Sustainability Statement for inclusion in the Company's Annual Report.

INTERNAL AUDIT ("IA")

The Group has an in-house IA Department. The IA Department, led by the Head of IA, reports directly to the Committee. The IA Department supports the Committee in the effective discharge of its responsibilities in respect of governance, internal controls and the risk management framework of the Group. The Committee takes cognisance of the fact that an independent and adequately resourced internal audit function is essential in obtaining the assurance it requires regarding the effectiveness of the system of internal controls.

The IA activities carried out during FY2023 include, inter alia, the following:

- Ascertained the extent of compliance with the established Group policies, procedures and statutory requirements;
- Reviewed the system of internal controls and key operating processes based on the approved annual IA plan by adopting a risk based approach and recommending improvements to the existing system of controls;
- Conducted investigation audits on the request of management;
- Carried out ad-hoc audit reviews on Group's operations;
- Reviewed the Anti-Bribery and Corruption activities; and
- Observed and witnessed physical and online tender opening processes during the financial year.

Arising from the above activities, IA reports, incorporating the audit findings, audit recommendations and management's responses were presented to the Committee. Follow-up audit was also conducted and the status of implementation on the agreed recommendations was reported to the Committee.

The cost incurred by the IA Department for FY2023 amounted to RM466,536.

This Board Audit & Risk Management Committee Report is made in accordance with the resolution of the Board of Directors.

CORPORATE GOVERNANCE OVERVIEW, RISK MANAGEMENT AND INTERNAL CONTROL STATEMENT

"Corporate Governance is the process and structure used to direct and manage the business and affairs of the Company towards enhancing business prosperity and corporate accountability with the ultimate objective of realising long term shareholder value, whilst taking into account the interest of other stakeholders."

~ Finance Committee on Corporate Governance

The Board of Directors ("Board") is pleased to present this statement with an overview of the corporate governance ("CG") practices of the Group which supports the three (3) key principles of the Malaysian Code on Corporate Governance ("MCCG"), namely board leadership and effectiveness; effective audit and risk management; and integrity in corporate reporting and meaningful relationship with stakeholders.

The CG Report 2023 of the Company in relation to this statement is published on the Company's website, www.guocoland.com.my ("Website").

BOARD LEADERSHIP AND EFFECTIVENESS

A. Roles and Responsibilities of the Board

The Board assumes responsibility for effective stewardship and control of the Company and has established terms of reference ("TOR") to assist in the discharge of this responsibility.

In discharging its responsibilities, the Board has established functions which are reserved for the Board and those which are delegated to management. The key roles and responsibilities of the Board are set out in the Board Charter, which is reviewed annually by the Board and published on the Website. The key roles and responsibilities of the Board broadly cover reviewing and approving corporate policies and broad strategies; overseeing and evaluating the conduct of the Group's businesses; identifying principal risks and ensuring the implementation of appropriate systems to manage those risks; and reviewing and approving key matters such as financial results, investments and divestments, acquisitions and disposals, and major capital expenditure.

The day-to-day business of the Group is managed by the Group Managing Director ("GMD")/Managing Director ("MD") who is assisted by the management team. The GMD/MD and his/her management team are accountable to the Board for the performance of the Group. In addition, the Board delegates certain of its responsibilities to Board Committees, which operate within clearly defined TOR primarily to support the Board in the performance of its duties and responsibilities.

To discharge its oversight roles and responsibilities more effectively, the Board has delegated the independent oversight over, inter alia, internal and external audit functions, internal controls and risk management to the Board Audit & Risk Management Committee. The Nominating Committee is delegated the authority to, inter alia, assess and review Board, Board Committees and Chief Executive appointments and/or re-elections, and assess and evaluate the performance of the Board, Board Committees and Chief Financial Officer ("CFO"). Although the Board has granted such authority to Board Committees, the ultimate responsibility and the final decision rest with the Board. The Chairmen of Board Committees report to the Board on matters dealt with at their respective Board Committee meetings. Minutes of Board Committee meetings are also tabled at Board meetings.

There is a clear division of responsibilities between the Chairman of the Board and the GMD/MD. This division of responsibilities between the Chairman and the GMD/MD ensures an appropriate balance of roles, responsibilities and accountability.

CORPORATE GOVERNANCE OVERVIEW, RISK MANAGEMENT AND INTERNAL CONTROL STATEMENT

cont'd

BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

A. Roles and Responsibilities of the Board *cont'd*

The Chairman leads the Board and ensures its smooth and effective functioning.

The GMD/MD is responsible for formulating the vision and recommending policies and the strategic direction of the Group for approval by the Board, implementing the decisions of the Board, initiating business ideas and corporate strategies to create competitive edge and enhancing shareholder wealth, providing management of the day-to-day operations of the Group and tracking compliance and business progress.

Independent Non-Executive Directors ("ID" or "IDs") are responsible for providing insights, unbiased and independent views, advice and judgment to the Board and bring impartiality to Board deliberations and decision-making. They also ensure effective checks and balances on the Board. There are no relationships or circumstances that could interfere with or are likely to affect the exercise of IDs' independent judgment or their ability to act in the best interest of the Company and its shareholders.

The Group continues to operate in a sustainable manner and seeks to contribute positively to the well-being of stakeholders. The Group takes a progressive approach in integrating sustainability into its businesses as set out in the Sustainability Statement which forms part of the Annual Report.

The Board observes the Code of Ethics for Company Directors established by the Companies Commission of Malaysia ("CCM"), which has been adopted by the Board and published on the Website.

B. Board Composition

The Board currently comprises seven (7) Directors, three (3) of whom are IDs. The profiles of the members of the Board are set out in the Annual Report.

The recommendation in MCCG to have at least half of the board comprising IDs has been considered by the Board. The Board is of the view that the current composition of the IDs is adequate for the Board to function objectively and effectively. The IDs are able to exercise sound judgement without fear or favour and provide check and balance with their unbiased views so as to foster objectivity in Board's deliberations and decisions. The IDs have performed their oversight role effectively and understood their responsibilities to all stakeholders.

The Company is guided by the Policy on Board Composition adopted by the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa") ["MMLR"] in determining its Board composition. The policy includes the following:

- The Board shall determine the appropriate size of the Board to enable an efficient and effective conduct of Board deliberation.
- The Board shall have a balance of skills and experience to commensurate with the complexity, size, scope and operations of the Company.
- The Board shall comprise at least one (1) woman Director.
- Board members should have the ability to commit time and effort to carry out their duties and responsibilities effectively.

The Company has in place a Board Diversity Policy. The Board recognises the merits of Board diversity in adding value to collective skills, perspectives and strengths to the Board. Currently, there are two (2) women Directors on the Board. The Board will consider appropriate targets in Board diversity including gender, ethnicity and age balance on the Board and will take the necessary measures to meet these targets from time to time as appropriate.

Based on the review of the Board composition in August 2023, the Board is of the view that the current size and composition of the Board are appropriate and effective for the control and direction of the Group's strategy and business. The composition of the Board also fairly reflects the investment of shareholders in the Company.

BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

C. Board Committees

Board Committees have been established by the Board to assist in the discharge of its duties.

- Board Audit & Risk Management Committee ("BARMC")

  The composition of the BARMC and a summary of its activities in the discharge of its functions and duties for the financial year are set out in the Board Audit & Risk Management Committee Report in the Annual Report.

  The TOR of the BARMC are published on the Website.

- Nominating Committee ("NC")

  The NC was established on 2 May 2013. The TOR of the NC are published on the Website.

  The composition of the NC is as follows:

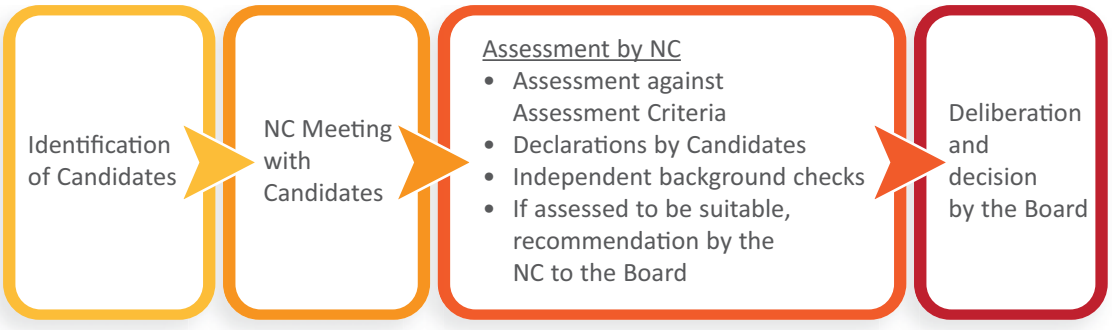
  Mr Peter Ho Kok Wai
  Chairman, Independent Non-Executive Director

  Encik Zulkiflee bin Hashim
  Independent Non-Executive Director

  Ms Patricia Chua Put Moy
  Independent Non-Executive Director

  (i) New Appointments

  The nomination, assessment and approval process for New Appointments, in accordance with the Directors' Fit and Proper Policy, shall be as follows:



All candidates to the Board are assessed by the NC prior to their appointments, taking into account the assessment criteria, inter-alia, the candidates' character and integrity, the strategic and effective fit of the candidates for the Board, the overall desired Board composition including Board diversity and the required mix of skills, expertise, knowledge and experience in the industry, market and segment to enhance the Board's overall effectiveness and having regard to the candidates' attributes, qualifications, management, leadership, business experience, independence and time commitment, before they are recommended to the Board for approval. The Company maintains a pool of potential Board candidates from internal and external introductions, recommendations and independent sources with director databases in its search for suitable Board candidates.

CORPORATE GOVERNANCE OVERVIEW, RISK MANAGEMENT AND INTERNAL CONTROL STATEMENT
cont'd

BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

C. Board Committees *cont'd*

- Nominating Committee ("NC") *cont'd*

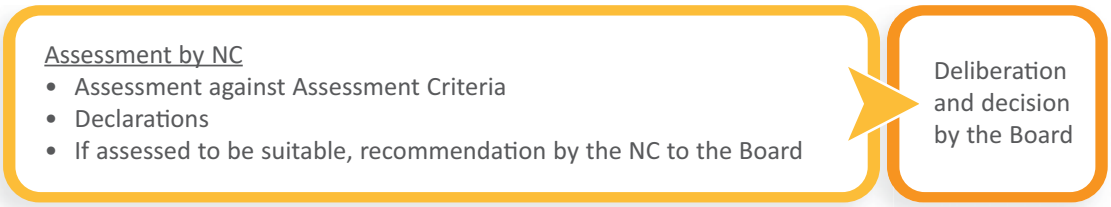
(i) New Appointments *cont'd*

In evaluating any new appointment of senior management ("SM"), the Company is guided by the Hong Leong Group Recruitment Policy where all potential candidates are given equal opportunity regardless of gender, race, and religion and/or whether or not one has disability. SM positions are awarded based on qualifications, experience and potential.

In the case of Chief Executive, the NC will take into account the candidate's knowledge and experience in the industry, market and segment.

(ii) Re-election

The assessment and approval process for re-election of Directors as set out in the Directors' Fit and Proper Policy are as follows:



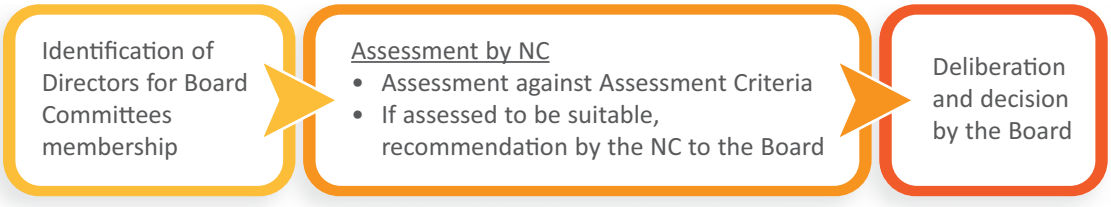
The Chairman, Directors and Chief Executive will be evaluated on their performance in the discharge of duties and responsibilities effectively, including, inter alia, contribution to Board deliberations, time commitment as well as the Annual Board Assessment (as defined below) results, fit and proper declaration and assessment in respect of their probity, competence, personal integrity, reputation, qualifications, skills, experience and financial integrity, contributions during the term of office, attendance at Board meetings, and for IDs, their continued independence.

(iii) Removal

For removal of Directors, the Company shall carry out such removal in accordance with the provisions of the Companies Act 2016 and any other relevant regulatory requirements. The NC may recommend to the Board the removal of a Director who is ineligible, disqualified, incapacitated or who has failed in the discharge of fiduciary duties.

(iv) Board Committee Appointments

The nomination, assessment and approval process for appointments to Board Committees ("Board Committee Appointments") is as follows:



In line with the Directors' Fit and Proper Policy, the assessment for Board Committee Appointments will be based on the Directors' potential contributions and value-add to the Board Committees with regard to Board Committees' roles and responsibilities.

BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

C. Board Committees *cont'd*

- Nominating Committee ("NC") *cont'd*

(iv) Board Committee Appointments *cont'd*

In addition, a formal evaluation process has been put in place to assess the effectiveness of the Board as a whole, Board Committees as a whole and the contribution and performance of each individual Director, Board Committee member, Chief Executive and CFO on an annual basis ("Annual Board Assessment"). For newly appointed Chairman, Directors, Chief Executive and CFO, the Annual Board Assessment will be conducted at the next annual assessment exercise following the completion of one (1) year of service.

For management succession planning, it has been embedded in the Group's process over the years to continuously identify, groom and develop key talents from within the Group. The Group also has a talent development programme to identify, retain and develop young high potential talents.

The NC meets at least once in each financial year and additional meetings may be called at any time as and when necessary. Recommendations and decisions may also be taken by way of circular resolutions.

The NC met twice during the financial year ended 30 June 2023 ("FY2023") and all the NC members attended the meeting.

The NC discharged its duties in accordance with its TOR during FY2023. The NC considered and reviewed the following:

- NC Charter, policies on Board Composition, Independence of Directors, Board Diversity, Directors' Fit and Proper and Directors' Training;
- NC Report;
- composition of the Board and Board Committees;
- mix of skills, professional qualification, experience and other qualities of Directors including gender, ethnicity and age balance;
- independence of IDs and their tenure;
- trainings undertaken by Directors and recommendation of training programmes for Directors;
- re-election of Directors; and
- appointment of Director and CFO

Having reviewed the Board composition, the NC was satisfied that the current Board comprises a good mix of skills and that the current size and composition of the Board are appropriate and effective in discharging its functions. The NC took cognisance of the merits of Board diversity, including gender, ethnicity and age balance on the Board and will take the necessary measures to meet these targets from time to time as appropriate.

The NC has also evaluated the performance of the Board, Board Committees, each individual Director and each Board Committee member, benchmarking their respective TOR and assessment criteria, and through the annual assessment conducted during FY2023. The NC was satisfied that they have continued to operate effectively in discharging their duties and responsibilities. They have also fulfilled their responsibilities and are suitably qualified to hold their positions.

- Remuneration Committee ("RC")

The Company does not have a RC. The Board is of the view that it is not necessary for the Company to establish a RC for the time being given the current size of the Board. The Board as a whole functions as the RC.

CORPORATE GOVERNANCE OVERVIEW, RISK MANAGEMENT AND INTERNAL CONTROL STATEMENT

cont'd

BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

D. Remuneration

The Group's remuneration scheme for Executive Directors and SM is linked to performance, service seniority, experience and scope of responsibility and is periodically benchmarked to market/industry surveys conducted by human resource consultants. Performance is measured against profits and targets set in the Group's annual plan and budget.

The level of remuneration of Non-Executive Directors reflects the scope of responsibilities and commitment undertaken by them.

The remuneration packages of Executive Directors are reviewed by the entire Board. Executive Directors shall not participate in the deliberations and shall vacate the meeting room during deliberations of their remuneration packages. The Board, in assessing and reviewing the remuneration packages of Executive Directors, ensures that a strong link is maintained between their rewards and individual performance, based on the provisions in the Group's Human Resources Manual, which are reviewed from time to time to align with market/industry practices.

The fees of Directors are recommended and endorsed by the Board for approval by the shareholders of the Company at its Annual General Meeting ("AGM").

The detailed remuneration of each Director is set out in the CG Report which is published on the Website.

The Group adopts Hong Leong Group's total compensation philosophy which promotes high performing culture, alignment of corporate values and vertical and horizontal equity. The rewards strategy focuses on providing a competitive remuneration and benefits package, as well as ample career progression opportunities for employees.

The Company's rewards framework focuses on a balanced and right pay mix to achieve the desired long term business performance. The framework includes base pay, cash allowances; performance based variable pay, long term incentives, benefits and other employees' programmes.

The rewards framework ensures that employees are paid competitively against the industry and talent market the company is operating in, delivered via a combination of cash and non-cash elements such as shares or share-linked instruments.

Key performance indicators and key results areas of employees are measured and tracked diligently to ensure strong alignment of employee output to the overall business strategy and direction of the company.

E. Independence

The Board takes cognisance of the provisions of the MCCG, which states that the tenure of an ID should not exceed a cumulative term of nine (9) years and upon completion of the nine (9) years, an ID may continue to serve on the Board subject to the Director's re-designation as a Non-ID. It further states that in the event the Board wishes to retain an ID who has served a cumulative term of nine (9) years and above, shareholders' approval shall be annually sought with justification through a two-tier voting process.

The Company has in place an Independence of Directors Policy ("ID Policy") which sets out the criteria for assessing the independence of IDs. The Board will apply these criteria upon admission, annually and when any new interest or relationship develops. The ID Policy states that the tenure of an ID shall not exceed a cumulative term of nine (9) years from the date of his or her first appointment in the Company.

The IDs have declared their independence, and the NC and the Board have determined, at the annual assessment carried out, that the IDs have continued to bring independent and objective judgment to Board deliberations and decision making.

The tenure of all the IDs on the Board does not exceed nine (9) years.

BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

F. Commitment

The Directors are aware of their responsibilities and devote sufficient time to carry out such responsibilities. In line with the MMLR, Directors are required to comply with the restrictions on the number of directorships in public listed companies. Board meetings are scheduled ahead in order to enable full attendance at Board meetings. The Board meets quarterly with timely notices of issues to be discussed. Additional meetings may be convened on an ad-hoc basis as and when necessary. Where appropriate, decisions are also taken by way of Directors' circular resolutions. Directors are required to attend at least 50% of Board meetings held in each financial year pursuant to the MMLR.

All Board members are supplied with information in a timely manner. The Company has moved towards electronic Board reports. Board reports are circulated electronically prior to Board and Board Committee meetings and the reports provide, among others, financial and corporate information, significant operational, financial and corporate issues, updates on the performance of the Company and of the Group and management's proposals which require the approval of the Board.

All Directors have access to the advice and services of qualified and competent Company Secretaries to facilitate the discharge of their duties effectively. The Company Secretaries are qualified to act under Section 235 of the Companies Act 2016. They are Associate Members of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA) and hold practising certificate issued by CCM. The Company Secretaries support the effective functioning of the Board, provide advice and guidance to the Board on policies and procedures, relevant rules, regulations and laws in relation to corporate secretarial and governance functions and facilitate effective information flow among the Board, Board Committees and SM. The Company Secretaries attend programmes and seminars to keep themselves abreast with, inter-alia, regulatory requirements, company law and CG.

All Directors also have access to the advice and services of the internal auditors and in addition, to independent professional advice, where necessary, at the Company's expense, in consultation with the Chairman of the Company.

At Board meetings, active deliberations of issues by Board members are encouraged and such deliberations, decisions and conclusions are recorded by the Company Secretaries accordingly. Any Director who has an interest in the subject matter to be deliberated shall abstain from deliberating and voting on the same during the meetings.

The Board met four (4) times for FY2023 with timely notices of issues to be discussed. Details of attendance of each Director are as follows:

Directors	Attendance
Mr Tang Hong Cheong	4/4
Mr Cheng Hsing Yao (Zheng Xinyao)	4/4
Puan Noorbaizura binti Hermeyney (Appointed on 18.5.2023)	-*
Mr Tan Wee Bee (Resigned on 18.5.2023)	4/4
Mr Peter Ho Kok Wai	4/4
Encik Zulkiflee bin Hashim	4/4
Ms Patricia Chua Put Moy	4/4
Mr Quek Kon Sean	4/4

* *No Board meeting was held since her appointment to the Board on 18 May 2023*

CORPORATE GOVERNANCE OVERVIEW, RISK MANAGEMENT AND INTERNAL CONTROL STATEMENT
cont'd

BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

F. Commitment *cont'd*

The Company recognises the importance of continuous professional development and training for its Directors.

The Company is guided by a Directors' Training Policy, which covers an Induction Programme and Continuing Professional Development ("CPD") for Directors of the Company. The Induction Programme which may include visits to the Group's business operations and meetings with senior management, is organised for newly appointed Directors to assist them to familiarise and to get acquainted with the Group's businesses. The CPD encompasses areas related to, among others, the industry or business of the Company, governance, risk management, accounting, laws and regulations through a combination of courses, conferences and workshops. A training budget is allocated for Directors' training programmes.

All Directors of the Company have completed the Mandatory Accreditation Programme ("MAP") Part I. In line with the recent amendments to MMLR in relation to sustainability training for Directors, the Directors of the Company have been advised to complete MAP Part II within the prescribed timeframe.

The Company organises in-house programmes, briefings and updates by its in-house professionals. The Directors are also encouraged to attend seminars and briefings in order to keep themselves abreast with the latest developments in the business environment and to enhance their skills and knowledge. Directors are kept informed of available training programmes on a regular basis.

In assessing the training needs of Directors, upon recommendation by the NC, the Board has determined that appropriate training programmes covering matters on CG, finance/accounting, legal and regulatory framework, risk management, information technology, cyber security, internal control, anti-bribery and corruption management, environmental, social and governance (ESG), industry-related and/or statutory/regulatory compliance, be recommended and arranged for the Directors to enhance their contributions to the Board.

During FY2023, the Directors received regular briefings and updates on the Group's businesses, strategies, operations, risk management and compliance, internal controls, cyber security, CG, finance/accounting, anti-bribery and corruption management, ESG, industry-related and any changes to relevant legislation, rules and regulations from in-house professionals. In-house programmes/briefings were also organised for the Directors and SM of the Company.

The Directors of the Company have also attended various programmes and forums facilitated by external professionals in accordance with their respective needs in discharging their duties as Directors.

During FY2023, the Directors of the Company, collectively or on their own, attended various training programmes, seminars, briefings and/or workshops including:

- 2023 Malaysia Real Estate Market Outlook
- Advocacy Session for Directors and Senior Management of Main Market Listed Issuers - Continuing Disclosure Requirements & Corporate Disclosure Policy of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR")
- Amendments to the MMLR in relation to Enhanced Sustainability Reporting Framework
- Anti-Bribery and Corruption Refresher Training: Revisiting Section 17A of the Malaysian Anti-Corruption Commission (MACC) Act 2009 on Corporate Liability Provision – Developing a Robust Anti-Bribery & Corruption Framework as Lines of Defence
- Anti-Money Laundering/Countering Financing of Terrorism ("AML/CFT") - Latest Development for Board & Senior Management
- AML/CFT & Targeted Financial Sanctions (TFS) – Prevention, Detection & Collaboration in Fronting Compliance
- Audit Oversight Board Conversation with Audit Committees (Session 1) - How the Audit Committees and Auditors can work together towards reliable audited financial statements

CORPORATE GOVERNANCE OVERVIEW, RISK MANAGEMENT AND INTERNAL CONTROL STATEMENT

cont'd

BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

F. Commitment *cont'd*

During FY2023, the Directors of the Company, collectively or on their own, attended various training programmes, seminars, briefings and/or workshops including: *cont'd*

- Background and Corruption Offenses under MACC Act 2009
- Bank Negara Malaysia's requirement on Beneficial Ownership
- Building the Islamic Finance Industry's Future
- Bursa Malaysia Mandatory Accreditation Programme (MAP)
- Bursa's Voluntary Carbon Market Exchange
- Business Continuity Management Awareness Programme
- Can America Stop China's Rise? Will ASEAN Be Damaged?
- Conversations with Audit Oversight Board
- Corporate Governance & Remuneration Practices For The Environmental, Social and Governance World
- Cybersecurity Threats for Top Executive
- Data Privacy & Personal Data Protection Act 2010
- Fair Treatment of Financial Consumers
- Capability Building Workshop
- Duties of Directors under the Development Financial Institutions Act
- Emerging Cyber Risks and Resilience Measures
- How can Financial Institutions shape a more sustainable future?
- Financial Master Class - AMLA, PDPA, Cyber Security & Integrity (Code of Ethics) and Anti-Corruption & Bribery
- Guidelines for the Reporting Framework on Beneficial Ownership under Companies Act 2016
- KPMG Board Leadership Center Exclusive: Understanding the requirements in Bursa Malaysia's enhanced sustainability reporting framework
- KPMG Tax Seminar: Special Voluntary Disclosure Programme
- Listed Entity Director ("LED") - Environmental, Social and Governance Essentials
- LED - Listed Entity Director Essentials
- Market Outlook Using Fundamental Indicators
- Navigating through the evolution of Corporate Governance with the introduction of Tax Corporate Governance Framework
- SC Annual Report 2022 Announcement
- Social Enterprise Financing
- Strategies to ensure Compliance systems and controls withstand regulatory scrutiny
- Sustainability and its Impact on Organisations: What Directors Need to Know
- The 3rd Annual Malaysian REIT Forum 2022
- The Fundamentals of Law on REIT covering the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (AMLA)
- The Heightened Legal & Regulatory Expectations on Sanctions
- Update on live engagement and voting expected at all AGMs
- Values as a Source of Competitive Advantage
- What about Sustainability?

CORPORATE GOVERNANCE OVERVIEW, RISK MANAGEMENT AND INTERNAL CONTROL STATEMENT
cont'd

BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

G. Strengthening CG Culture

- **Code of Conduct and Ethics**

  The Group is committed to good business ethics and integrity as set out in the Group Code of Conduct and Ethics ("Code"). To this, the Group commits to a high standard of professionalism and ethics in the conduct of business and professional activities.

  The Code is applicable to:

  - all employees who work in the Group across the jurisdictions in which the Group operates – including but not limited to permanent, part-time and temporary employees; and
  - any other persons permitted to perform duties or functions within the Group – including but not limited to vendors, service providers, contractors, secondees, interns, industrial attachment and agency staff.

- **Anti-Bribery and Corruption Policy**

  The Group has adopted ISO 37001:2016 as its Anti-Bribery and Corruption Management System to provide a strong framework to prevent its employees, Directors, partners or persons who perform services for or on behalf of the Group from undertaking corrupt practices in relation to its business activities. The Anti-Bribery and Corruption Policy, published on the Website, outlines the Group's commitment to conducting business ethically in compliance with all applicable anti-bribery and corruption laws of every country in which the Group operates.

  Reports of any concern or suspicion may be made to the Head of Internal Audit or Head of Human Resources.

- **Whistleblowing Policy**

  The Company has a Whistleblowing Policy and it provides a structured channel for all employees of the Group and any other persons providing services to, or having a business relationship with the Group, to report any concern on any improper conduct or wrongful act committed within the Group. The Whistleblowing Policy is published on the Website.

  The Board has identified the Chairman of the BARMC to whom reports of any such concerns may be conveyed.

EFFECTIVE AUDIT AND RISK MANAGEMENT

Accountability and Audit

The financial reporting and internal control system of the Group is overseen by the BARMC which comprises all IDs. The primary responsibilities of the BARMC are set out in the Board Audit & Risk Management Committee Report.

The BARMC is supported by the Internal Audit Department whose principal responsibilities are to conduct risk-based audits to ensure that adequate and effective controls are in place to mitigate risks; operational audits to identify opportunities for operational improvement; and also ensure compliance with standard operating procedures of the Group. Investigation or special review will be carried out at the request of the BARMC and SM on specific areas of concern when necessary. Significant breaches and deficiencies identified are discussed at the BARMC meetings where appropriate actions will be taken.

I. Financial Reporting

The Board has a fiduciary responsibility to ensure the proper maintenance of accounting records of the Group. The Board receives the recommendation to adopt the financial statements from the BARMC, which assesses the integrity of financial statements with the assistance of the external auditors.

CORPORATE GOVERNANCE OVERVIEW, RISK MANAGEMENT AND INTERNAL CONTROL STATEMENT

cont'd

EFFECTIVE AUDIT AND RISK MANAGEMENT *cont'd*

Accountability and Audit *cont'd*

II. Directors' Responsibility in Financial Reporting

The MMLR requires the Directors to prepare a statement explaining the Board's responsibility for preparing the annual audited financial statements, and the Companies Act 2016 requires the Directors to make a statement stating whether in their opinion, the audited financial statements are drawn up in accordance with the applicable accounting standards, to give a true and fair view of the financial position and of the financial performance of the Group and of the Company for the financial year.

The Directors of the Company are satisfied that the financial statements of the Group and of the Company for FY2023 have been prepared in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the Companies Act 2016 in Malaysia and that the Group and the Company have adopted appropriate accounting policies and have applied them consistently.

III. Risk Management and Internal Control

The risk management framework which is in accordance with MS ISO 31000: 2010 serves to:

- establish the context of risk in relation to the Group's risk appetite;
- identify the risks faced by the Group in the operating environment;
- assess the likelihood and impact of such risks identified and hence, their risk levels;
- evaluate the priority to be given in managing each risk based on its respective risk level;
- assess the adequacy and effectiveness of the existing risk mitigating measures;
- evaluate risk treatment options (i.e. changing the likelihood or consequence of risk; and sharing, retaining or avoiding risk) in relation to the Group's context of risk;
- develop any necessary further measures to manage these risks; and
- monitor and review risk mitigating measures, risk levels and emerging risks.

On an on-going basis, each operating company has clear accountabilities to:

- monitor its existing risks, identify emerging risks and hence update the enterprise-wide risk registers;
- maintain the adequacy, effectiveness and relevance of action plans and control systems developed to manage risks; and
- periodically prepare risk management report for reporting to the BARMC.

The System of Internal Controls

The key elements of the Group's system of internal controls are described below:

- A management structure exists with clearly defined delegation of responsibilities to the management of the Group's operating companies, including authorisation levels for all aspects of the business and operations.
- Documented corporate policies and procedures covering various aspects of the business and operations of the Group.
- Promotion of a strong internal control culture through the Group's values and ethics and also the "tone at the top".
- Diligent review of the quarterly financial results and reports and identifying the reasons for any unusual variances.
- Risk-based internal audits carried out by the Internal Audit Department, focusing on key risk areas.
- Periodically reporting to the BARMC on the results of control assurance and audit activities and also the management of risks throughout the Group.

CORPORATE GOVERNANCE OVERVIEW, RISK MANAGEMENT AND INTERNAL CONTROL STATEMENT
cont'd

EFFECTIVE AUDIT AND RISK MANAGEMENT *cont'd*

Accountability and Audit *cont'd*

III. Risk Management and Internal Control *cont'd*

Management and Decision-Making Processes

The internal control and risk management processes embedded within the operations of the Group are in place for the financial year under review and up to the date of approval of this Statement for inclusion in the 2023 Annual Report, and reviewed periodically by the BARMC. These processes are intended to manage and not expected to eliminate all risks of failure to achieve business objectives. Accordingly, they can only provide reasonable and not absolute assurance against material misstatement of management and financial information or against financial losses and fraud.

The Board has received assurance from the MD and CFO that the Group's system of internal controls and risk management framework are operating adequately and effectively, in all material aspects, based on the internal control system and risk management framework of the Group.

Pursuant to paragraph 15.23 of the MMLR, the external auditors had reviewed this Statement for inclusion in the 2023 Annual Report, and reported to the Board that nothing has come to their attention that causes them to believe that the Statement is not prepared, in all material aspects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control Guidelines for Directors of Listed Issuers, nor is the Statement factually inaccurate.

IV. Relationship with Auditors

The Board, through the BARMC, maintains a formal and transparent professional relationship with the external auditors, Ernst & Young PLT. The appointment of external auditors is recommended by the BARMC which also review the remuneration of the external auditors. The BARMC reviews the performance, suitability, independence and objectivity of the external auditors annually. The BARMC also reviews the nature and fees of non-audit services provided by the external auditors in assessing the independence of the external auditors. In accordance with the Malaysian Institute of Accountants, Ernst & Young PLT rotates its Engagement Partner and Concurring Partner once every 5 years to ensure objectivity, independence and integrity of the audit opinions.

The external auditors meet with the BARMC to:

- present the scope of the audit before the commencement of audit; and
- review the results of the audit, including key audit matters, as well as the management letter after the conclusion of the audit.

At least twice a year, the BARMC will have a separate session with the external auditors without the presence of senior management.

For FY2023, the BARMC members together with the CFO undertook an annual assessment on the performance, suitability, independence and objectivity of the external auditors. No major concerns were noted from the results of the assessment. The external auditors also gave their assurance confirming their independence and objectivity throughout the conduct of the audit engagement and the internal processes undertaken by them to determine their independence.

CORPORATE GOVERNANCE OVERVIEW, RISK MANAGEMENT AND INTERNAL CONTROL STATEMENT

cont'd

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

A. Disclosure

The Company has in place a Corporate Disclosure Policy for compliance with the disclosure requirements set out in the MMLR, and to raise awareness and provide guidance to the Board and management on the Group's disclosure requirements and practices.

All timely disclosure and material information documents will be posted on the Website after release to Bursa.

B. Shareholders

I. Dialogue between Companies and Investors

The Board acknowledges the importance of regular communication with shareholders and investors via the annual reports, corporate governance reports, circulars to shareholders, quarterly financial reports and the various announcements made during the year, through which shareholders and investors can have an overview of the Group's performance and operation.

Notices of general meetings and the accompanying explanatory notes are provided within the prescribed notice period on the Website, Bursa's website, in the media and by post to shareholders. This allows shareholders to make the necessary arrangements to attend and participate in general meetings either in person, by corporate representative, by proxy or by attorney.

Shareholders can access for the Company's information at the Website which includes the Board Charter, TORs of Board Committees, corporate information, announcements/press releases/briefings, financial information, products information and investor relations. Minutes of AGM and a summary of the key pertinent matters discussed at the AGM are published on the Website.

In addition, shareholders and investors can have a channel of communication with the CFO to direct queries and provide feedback to the Group.

Queries may be conveyed to the CFO at:

Tel No. : 03-2726 1000
Fax No. : 03-2726 1120
Email address : glm.info@guocoland.com

II. AGM

The AGM provides an opportunity for the shareholders to seek and clarify any issues and to have a better understanding of the Group's performance. Shareholders are encouraged to attend and vote on all resolutions. Directors, CFO, SM and the external auditors are also available to respond to shareholders' queries during the AGM.

All Directors of the Company attended the last AGM held on 2 December 2022. Minutes of AGM and a summary of key pertinent matters discussed at the AGM are published on the Website.

Pursuant to Paragraph 8.29A(1) of the MMLR, all resolutions tabled at general meetings will be put to a vote by way of a poll and the voting results will be announced at the meetings and through Bursa.

The Company has adopted electronic voting for the conduct of poll on all resolutions at the AGM.

This Corporate Governance Overview, Risk Management and Internal Control Statement is made in accordance with the resolution of the Board of Directors.

DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2023.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding.

The principal activities of the subsidiaries are as stated in Note 39 to the financial statements.

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

HOLDING COMPANY

The immediate holding company is GLL (Malaysia) Pte Ltd, incorporated in the Republic of Singapore. The ultimate holding company is GuoLine Capital Assets Limited ("GCA"), incorporated in Jersey, Channel Islands.

Related companies in these financial statements refer to member companies in the GCA Group.

RESULTS

	GROUP RM'000	COMPANY RM'000
Profit net of tax	**38,875**	**56,392**
Profit attributable to:		
Owners of the parent	**34,606**	**56,392**
Non-controlling interests	**4,269**	**-**
	38,875	**56,392**

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

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature, except as disclosed in the notes to financial statements.

DIVIDENDS

The dividend paid by the Company since 30 June 2022 was as follows:

	RM'000
In respect of the financial year ended 30 June 2022:	
Final single tier dividend of 2 sen per share on 669,880,418 (net of ESS Trust shares) ordinary shares paid on 15 November 2022	**13,398**

DIVIDENDS *cont'd*

On 18 August 2023, the Board of Directors ("Board") had declared a final single tier dividend in respect of the financial year ended 30 June 2023, of 2 sen per share on 669,880,418 ordinary shares (net of ESS Trust shares), amounting to RM13,397,608 to be paid on 15 November 2023. The financial statements for the current financial year do not reflect this dividend. Such dividend will be accounted for in shareholders' equity as an appropriation of retained profits in the financial year ending 30 June 2024.

DIRECTORS

The names of the directors of the Company in office since the beginning of the financial year to the date of this report are:

Mr Tang Hong Cheong*	(Chairman)
Puan Noorbaizura binti Hermeyney*	(Managing Director; appointed on 18 May 2023)
Mr Tan Wee Bee*	(Group Managing Director; resigned on 18 May 2023)
Mr Cheng Hsing Yao (Zheng Xinyao)*	
Mr Peter Ho Kok Wai	
Encik Zulkiflee bin Hashim	
Ms Patricia Chua Put Moy	
Mr Quek Kon Sean	

* *These directors are also directors of certain subsidiaries of the Company.*

The names of the directors of the Company's subsidiaries in office since the beginning of the financial year to the date of this report, not including those directors listed above are:

YBhg Dato' Tan Ang Meng	
Ms Lim Tau Kien	
Mr Lee Yeow Seng	
Ms Chin Min Yann	
Ms Choo Soo Nee	
Ms Yeap Yen Yen	
Mr Teah Chin Guan @ Teh Chin Guan (Alternate director to Mr Lee Yeow Seng)	
Mr Yuen Po Seng	
Ms Daisy L. Parker	
Mr Ronald P. Sugapong	
Ms Lim Chew Yan	(Resigned on 17 March 2023)
YBhg Dato' Nicholas John Lough @ Sharif Lough bin Abdullah	(Retired on 17 February 2023)

DIRECTORS' REPORT
cont'd

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings, the interests of directors in office at the end of the financial year in the ordinary shares and/or options over ordinary shares in the Company and/or its related corporations during the financial year were as follows:

	Number of ordinary shares/ordinary shares received or to be received arising from the vesting of share grant*			
	As at 01.07.2022	Acquired	Disposed	As at 30.06.2023
Direct interests of Mr Tang Hong Cheong in:				
GuocoLand (Malaysia) Berhad	195,000	-	-	**195,000**
GuocoLand Limited	345,000	-	-	**345,000**
Guoco Group Limited	130,000	-	-	**130,000**
Lam Soon (Hong Kong) Limited	302,000	-	-	**302,000**
The Rank Group Plc	200,000	-	-	**200,000**
Direct interests of Mr Quek Kon Sean in:				
GuoLine Capital Assets Limited	328,710	-	-	**328,710**
GuocoLand Limited	182,000	-	-	**182,000**
Direct interests of Mr Cheng Hsing Yao in:				
GuocoLand Limited	-	81,196 [(1)]	-	**81,196**
	-	243,589 *	(81,196) *[(1)]	**162,393 ***

Note:
[(1)] Vesting of shares

None of the other directors in office at the end of the financial year had any interest in the ordinary shares and/or options over ordinary shares in the Company and/or its related corporations during the financial year.

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors of the Company might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, other than those arising from the share options granted for directors.

DIRECTORS' BENEFITS *cont'd*

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

The directors' benefits are as follows:

	Group RM'000	Company RM'000
Salaries and other emoluments	**2,508**	**148**
Defined contribution plans	**46**	**-**
Fees	**350**	**290**
Estimated money value of benefits-in-kind	**117**	**-**
	3,021	**438**

INDEMNITY AND INSURANCE COSTS

During the financial year, the Directors and Officers of Guoco Group Limited together with its subsidiaries ("GGL Group", which includes the Company and its subsidiaries) are covered under the Directors' and Officers' Liability Insurance ("D&O Insurance") in respect of liabilities arising from acts committed in their respective capacity as, inter alia, the Directors and Officers of the GGL Group subject to the terms of the D&O policy. The total amount of D&O Insurance effected for the Directors and Officers of the GGL Group was USD15,000,000. The total amount of premium paid for the D&O Insurance by the GGL Group was RM167,702, and the apportioned amount of the said premium paid by the GLM Group was RM30,338.

ISSUE OF SHARES AND DEBENTURES

There were no issue of shares and debentures of the Company during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

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

The details of the Executive Share Scheme ("ESS") and the Value Creation Incentive Plan of the Company are disclosed in Note 36 to the financial statements.

DIRECTORS' REPORT
cont'd

OTHER STATUTORY INFORMATION

(a) Before the income statements, statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and

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

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

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

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

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

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

(e) As 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; or

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

(f) In the opinion of the directors:

(i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; 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 or of the Company for the financial year in which this report is made.

SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

Details of a significant event are disclosed in Note 44 to the financial statements.

AUDITORS

The auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

Auditors' remuneration is as follows:

	Group RM'000	Company RM'000
Ernst & Young PLT	**518**	**205**
Other auditors	**139**	**-**
	657	**205**

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit. No payment has been made to indemnify Ernst & Young PLT during or since the financial year.

Signed on behalf of the Board in accordance with a resolution of the directors dated 5 October 2023.

Noorbaizura binti Hermeyney **Peter Ho Kok Wai**

STATEMENT BY DIRECTORS

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

We, Noorbaizura binti Hermeyney and Peter Ho Kok Wai, being two of the directors of GuocoLand (Malaysia) Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 79 to 172 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 30 June 2023 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 5 October 2023.

Noorbaizura binti Hermeyney

Peter Ho Kok Wai

STATUTORY DECLARATION

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

I, Yeap Yen Yen, being the officer primarily responsible for the financial management of GuocoLand (Malaysia) Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 79 to 172 are, to the best of my knowledge and belief, correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared
by the abovenamed Yeap Yen Yen
at Kuala Lumpur in the Federal Territory
on 5 October 2023

Yeap Yen Yen
[MIA 37879]

Before me,

Mohamad Zuliswandi Bin Mohamed
[W1006]
Pesuruhjaya Sumpah Malaysia
Commissioner of Oaths
Kuala Lumpur

INDEPENDENT AUDITORS' REPORT

To the Members of **Guocoland (Malaysia) Berhad** (Incorporated in Malaysia)

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of GuocoLand (Malaysia) Berhad, which comprise the statements of financial position as at 30 June 2023 of the Group and of the Company, and income statements, statements of other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 79 to 172.

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 30 June 2023, 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 audit 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 Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. We have determined that there are no key audit matters to communicate in our report on the financial statements of the Company. The key audit matters for the audit of the financial statements of the Group are described below. These matters were addressed in the context of our audit of the financial statements of the Group as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditors' responsibilities for the audit of the financial statements section* of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

Valuation of investment properties

(Refer to Note 17 to the financial statements)

The carrying value of the Group's investment properties as at 30 June 2023 was RM281,663,000, representing 27% and 13% of the Group's total non-current assets and total assets respectively. The Group adopts fair value model for its investment properties. When estimating the fair value of a property, the objective is to estimate the price that would be received from the sale of the investment property in an orderly transaction between market participants at the reporting date under current market conditions. In addition, the fair value should reflect, amongst others, the property related data used as input to the valuation model and other assumptions that market participants would use when pricing the investment property under current market conditions, which are highly judgmental. Accordingly, we consider this to be an area of audit focus.

INDEPENDENT AUDITORS' REPORT

To the Members of **Guocoland (Malaysia) Berhad** (Incorporated in Malaysia)
cont'd

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS *cont'd*

Key audit matters *cont'd*

Valuation of investment properties cont'd

How our audit addressed the matter

Our audit procedures focused on the valuations performed by firms of independent valuers, which included amongst others the following procedures:

- We considered the objectivity, competence and capabilities of the firms of independent valuers;
- We obtained an understanding of the methodology adopted by the independent valuers in estimating the fair value of the investment properties and assessed whether such methodology is consistent with those used in the industry;
- We obtained an understanding of the independent valuers' valuation process including their assessment of the comparability of historical transactions used and property related data used as input to the valuation models; and
- We also assessed whether the capitalisation rate used in the valuation model reflects the return that investors would require if they were to choose an investment that would generate cash flows of amounts, timing and risk profile equivalent to those that the entity expects to derive.

Valuation of completed development properties classified as inventories

(Refer to Note 23 to the financial statements)

As at 30 June 2023, the carrying amount of completed development properties classified as inventories was RM322,739,000, representing approximately 14% of the Group's total assets. The Group continues to monitor the realisable value of these inventories to ensure that they are stated at the lower of cost and net realisable values. Net realisable value is the estimated selling price less estimated costs necessary to make the sale.

The estimates of net realisable values are based on most reliable evidence available at the time the estimates are made and take into consideration estimated fluctuations of future property prices as well as costs to be incurred to make the sale. Such estimates often involve a certain degree of subjectivity and accordingly, we consider this area to be an area of audit focus.

How our audit addressed the matter

Our audit procedures in evaluating management's assessment of net realisable values of completed development properties, which included amongst others the following procedures:

- We obtained an understanding of the management process in estimating the net realisable value of these completed development properties; and
- Where management had made an internal assessment of the estimated selling price (less estimated costs necessary to make the sale) of the completed development properties, we evaluated the management's assessment by comparing to the recent transacted prices of similar completed property development units within the vicinity.

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS *cont'd*

Key audit matters *cont'd*

Revenue and cost of sales in respect of property development activities

(Refer to Note 4 and Note 5 to the financial statements)

A significant proportion of the Group's revenues and profits are derived from property development contracts which span more than one accounting period. For the financial year ended 30 June 2023, property development revenue from ongoing projects of RM266,261,000 and cost of sales of RM188,423,000 accounted for approximately 61% and 63% of the Group's revenue and cost of sales respectively. For these property development contracts which revenue is recognised over time, the Group uses the input method in determining the percentage of completion, which is based on the actual cost incurred to date on the property development project over the total budgeted cost for the respective development projects, in accounting for the progress towards complete satisfaction of the Group's performance obligation.

We identified revenue and cost of sales in respect of property development activities as areas requiring audit focus as significant management's judgement and estimates are involved in estimating the total property development costs to complete the project, which include the common infrastructure costs (which is used to determine progress towards complete satisfaction of the Group's performance obligation and gross profit margin of the property development activities undertaken by the Group).

How our audit addressed this matter

To address these areas of audit focus, we performed, amongst others, the following procedures:

- We obtained an understanding of the internal controls over the accuracy and timing of revenue recognised in the financial statements, including controls performed by management in estimating the total property development cost;

- We obtained an understanding of the internal control over the timeliness of updating the gross development value of each property development project by the management by reference to the latest selling price;

- We read the sale and purchase agreements entered into with the customers on a sampling basis to obtain an understanding of the specific terms and conditions;

- We evaluated the assumptions applied in estimating the total property development costs on a sampling basis by examining documentary evidence such as letters of award issued to contractors to support the total budgeted costs. We also considered the historical accuracy of management's budgets for the similar property development projects in evaluating the estimated total property development costs; and

- We evaluated the determination of the progress towards complete satisfaction of the Group's performance obligation by examining supporting evidences such as contractors' progress claims and suppliers' invoices.

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.

INDEPENDENT AUDITORS' REPORT

To the Members of **Guocoland (Malaysia) Berhad** (Incorporated in Malaysia)
cont'd

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS *cont'd*

Information other than the financial statements and auditors' report thereon *cont'd*

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.

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

INDEPENDENT AUDITORS' REPORT

To the Members of **Guocoland (Malaysia) Berhad** (Incorporated in Malaysia)
cont'd

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS *cont'd*

Auditors' responsibilities for the audit of the financial statements *cont'd*

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

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

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

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current 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 39 to the financial statements.

INDEPENDENT AUDITORS' REPORT

To the Members of **Guocoland (Malaysia) Berhad** (Incorporated in Malaysia)
cont'd

OTHER MATTERS

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

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Edwin Joseph Francis
No. 03370/05/2024 J
Chartered Accountant

Kuala Lumpur, Malaysia
5 October 2023

INCOME STATEMENTS

For the Financial Year Ended 30 June 2023

	Note	GROUP 2023 RM'000	GROUP 2022 RM'000	COMPANY 2023 RM'000	COMPANY 2022 RM'000
Revenue	4	**434,349**	434,066	**73,360**	-
Cost of sales	5	**(297,848)**	(313,264)	**-**	-
Gross profit		**136,501**	120,802	**73,360**	-
Selling and marketing expenses		**(7,854)**	(5,491)	**-**	-
Administrative expenses		**(63,954)**	(68,755)	**(6,412)**	(6,279)
Other net operating income/(expenses)	6	**5,543**	8,491	**(5,188)**	14
Profit/(loss) from operations		**70,236**	55,047	**61,760**	(6,265)
Finance income	7	**2,972**	2,044	**3,226**	3,669
Finance costs	8	**(27,724)**	(27,418)	**(7,944)**	(3,915)
Share of (loss)/profit of associates (net of tax)		**(4,703)**	4,513	**-**	-
Share of profit of joint ventures (net of tax)		**15,285**	15,821	**-**	-
Profit/(loss) before tax	9	**56,066**	50,007	**57,042**	(6,511)
Income tax expense	12	**(17,191)**	(21,878)	**(650)**	(7)
Profit/(loss) net of tax		**38,875**	28,129	**56,392**	(6,518)
Profit/(loss) attributable to:					
Owners of the parent		**34,606**	26,299	**56,392**	(6,518)
Non-controlling interests		**4,269**	1,830	**-**	-
		38,875	28,129	**56,392**	(6,518)
Earnings per share attributable to owners of the parent (sen per share):					
Basic	13	**5.17**	3.93		
Diluted	13	**5.17**	3.93		

STATEMENTS OF COMPREHENSIVE INCOME

For the Financial Year Ended 30 June 2023

	GROUP		COMPANY	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Profit/(loss) net of tax, representing total comprehensive income/(loss) for the financial year	**38,875**	28,129	**56,392**	(6,518)
Total comprehensive income/(loss) attributable to:				
Owners of the parent	**34,606**	26,299	**56,392**	(6,518)
Non-controlling interests	**4,269**	1,830	**-**	-
	38,875	28,129	**56,392**	(6,518)

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

STATEMENTS OF
FINANCIAL POSITION - GROUP
As at 30 June 2023

	Note	2023 RM'000	2022 RM'000
NON-CURRENT ASSETS			
Property, plant and equipment	15	**301,239**	312,253
Right-of-use assets	16	**15,969**	7,488
Investment properties	17	**281,663**	276,063
Investments in associates	19	**189,847**	195,229
Investments in joint ventures	20	**135,478**	136,528
Goodwill	21	**3,898**	4,357
Deferred tax assets	22	**15,012**	14,229
Inventories	23	**103,493**	109,488
Other non-current assets	27	**3,333**	3,500
		1,049,932	1,059,135
CURRENT ASSETS			
Inventories	23	**768,441**	812,597
Trade and other receivables	24	**82,911**	61,216
Contract assets	25	**124,375**	244,153
Contract cost assets	26	**45,482**	48,213
Other current assets	27	**3,318**	5,929
Tax recoverable		**1,728**	3,011
Biological assets	28	**269**	516
Cash and bank balances	29	**169,207**	103,309
		1,195,731	1,278,944
TOTAL ASSETS		**2,245,663**	2,338,079

STATEMENTS OF
FINANCIAL POSITION - GROUP
As at 30 June 2023
cont'd

	Note	2023 RM'000	2022 RM'000
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	30	**385,318**	385,318
Reserves	31	**976,401**	955,193
Equity funds		**1,361,719**	1,340,511
Shares held by ESS Trust	32	**(23,883)**	(23,883)
		1,337,836	1,316,628
Non-controlling interests		**76,250**	75,021
TOTAL EQUITY		**1,414,086**	1,391,649
NON-CURRENT LIABILITIES			
Lease liabilities	16	**14,610**	5,920
Deferred tax liabilities	22	**14,960**	16,867
Loans and borrowings	33	**343,835**	418,399
Trade and other payables	34	**1,505**	648
		374,910	441,834
CURRENT LIABILITIES			
Lease liabilities	16	**1,977**	2,178
Loans and borrowings	33	**258,422**	319,768
Trade and other payables	34	**181,098**	168,608
Contract liabilities	35	**12,490**	8,318
Tax payable		**2,680**	5,724
		456,667	504,596
TOTAL LIABILITIES		**831,577**	946,430
TOTAL EQUITY AND LIABILITIES		**2,245,663**	2,338,079

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

STATEMENTS OF FINANCIAL POSITION - COMPANY

As at 30 June 2023

	Note	2023 RM'000	2022 RM'000
NON-CURRENT ASSETS			
Property, plant and equipment	15	**1**	4
Right-of-use assets	16	**360**	39
Investments in subsidiaries	18	**1,232,456**	1,196,570
Investments in associates	19	**56,000**	56,000
Trade and other receivables	24	**32,014**	30,736
		1,320,831	1,283,349
CURRENT ASSETS			
Trade and other receivables	24	**44,564**	22,701
Tax recoverable		**334**	709
Cash and bank balances	29	**44,881**	13,101
		89,779	36,511
TOTAL ASSETS		**1,410,610**	1,319,860
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	30	**385,318**	385,318
Reserves	31	**837,440**	794,446
Equity funds		**1,222,758**	1,179,764
Shares held by ESS Trust	32	**(23,883)**	(23,883)
TOTAL EQUITY		**1,198,875**	1,155,881
NON-CURRENT LIABILITIES			
Lease liabilities	16	**304**	-
CURRENT LIABILITIES			
Lease liabilities	16	**59**	40
Loans and borrowings	33	**210,300**	142,000
Trade and other payables	34	**1,072**	21,939
		211,431	163,979
TOTAL LIABILITIES		**211,735**	163,979
TOTAL EQUITY AND LIABILITIES		**1,410,610**	1,319,860

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

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 30 June 2023

	Attributable to owners of the parent								
	Non-Distributable					Distributable			
	Share capital (Note 30)	Exchange reserve (Note 31)	Merger reserve (Note 31)	Other reserve (Note 31)	Shares held by ESS Trust (Note 32)	Retained profits (Note 31)	Total	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
GROUP									
At 1 July 2021	385,318	106	(24,028)	27	(23,883)	966,187	1,303,727	141,923	1,445,650
Profit for the financial year, representing total recognised income for the financial year	-	-	-	-	-	26,299	26,299	1,830	28,129
Transactions with owners:									
Reduction of ordinary shares in a subsidiary	-	-	-	-	-	-	-	(68,732)	(68,732)
Dividend paid (Note 14)	-	-	-	-	-	(13,398)	(13,398)	-	(13,398)
At 30 June 2022/1 July 2022	385,318	106	(24,028)	27	(23,883)	979,088	1,316,628	75,021	1,391,649
Profit for the financial year, representing total recognised income for the financial year	-	-	-	-	-	34,606	34,606	4,269	38,875
Transactions with owners:									
Redemption of redeemable preference shares ("RPS") to non-controlling interest	-	-	-	-	-	-	-	(3,040)	(3,040)
Dividends paid (Note 14)	-	-	-	-	-	(13,398)	(13,398)	-	(13,398)
At 30 June 2023	**385,318**	**106**	**(24,028)**	**27**	**(23,883)**	**1,000,296**	**1,337,836**	**76,250**	**1,414,086**

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 30 June 2023
cont'd

	← Non-Distributable →			Distributable	
	Share capital (Note 30)	Merger reserve (Note 31)	Shares held by ESS Trust (Note 32)	Retained profits (Note 31)	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000
COMPANY					
At 1 July 2021	385,318	68,219	(23,883)	746,143	1,175,797
Loss for the financial year	-	-	-	(6,518)	(6,518)
Transaction with owners:					
Dividend paid (Note 14)	-	-	-	(13,398)	(13,398)
At 30 June 2022/1 July 2022	385,318	68,219	(23,883)	726,227	1,155,881
Profit for the financial year	-	-	-	56,392	56,392
Transaction with owners:					
Dividend paid (Note 14)	-	-	-	(13,398)	(13,398)
At 30 June 2023	**385,318**	**68,219**	**(23,883)**	**769,221**	**1,198,875**

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

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 30 June 2023

	GROUP		COMPANY	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit/(loss) before tax	**56,066**	50,007	**57,042**	(6,511)
Adjustments for:				
Share of loss/(profit) of associates	**4,703**	(4,513)	**-**	-
Share of profit of joint ventures	**(15,285)**	(15,821)	**-**	-
Finance income	**(2,972)**	(2,044)	**(3,226)**	(3,669)
Finance costs	**27,724**	27,418	**7,944**	3,915
Dividend income	**-**	(1,047)	**(73,360)**	(992)
Property, plant and equipment:				
- depreciation	**10,424**	12,563	**3**	5
- gain on disposal	**(2)**	-	**-**	-
Depreciation of right-of-use assets	**2,285**	4,038	**71**	76
Bad debts written off	**18**	1,368	**-**	-
Reversal of allowance for impairment on trade receivables	**(4)**	(1,992)	**-**	-
Allowance for impairment on				
- trade receivables	**108**	-	**-**	-
- other receivables	**-**	100	**-**	-
Realisation of goodwill	**459**	459	**-**	-
Provision for foreseeable losses of property development activities	**-**	87	**-**	-
Inventories written down	**4,130**	-	**-**	-
Net (gain)/loss on fair value adjustments of investment properties	**(5,595)**	1,440	**-**	-
Net impairment loss on investment in subsidiaries	**-**	-	**5,173**	2,962
Loss/(gain) on fair value on biological assets	**247**	(381)	**-**	-
Gain on capital reduction in a subsidiary	**-**	-	**-**	(1,791)
Gain on lease termination	**(2)**	-	**-**	-
Loss on liquidation of a subsidiary	**-**	-	**15**	2
Unrealised profit arising from transactions with joint ventures and associates	**2,440**	4,678	**-**	-
Operating profit/(loss) before working capital changes carried forward	**84,744**	76,360	**(6,338)**	(6,003)

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

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 30 June 2023

cont'd

	GROUP		COMPANY	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES *cont'd*				
Operating profit/(loss) before working capital changes brought forward	**84,744**	76,360	**(6,338)**	(6,003)
Working capital changes:				
Inventories	**(25,964)**	(30,335)	**-**	-
Trade and other receivables	**(19,039)**	(21,113)	**(23,141)**	86,862
Contract assets	**119,778**	(79,675)	**-**	-
Contract cost assets	**74,716**	71,312	**-**	-
Trade and other payables	**14,963**	43,469	**(20,868)**	(242,010)
Contract liabilities	**4,172**	(518)	**-**	-
Cash flows generated from/(used in) operations	**253,370**	59,500	**(50,347)**	(161,151)
Interest received	**252**	284	**-**	-
Interest paid	**(26,718)**	(25,579)	**(7,935)**	(3,913)
Interest paid on lease liabilities	**(420)**	(447)	**(9)**	(2)
Tax paid	**(21,642)**	(27,632)	**(275)**	(362)
Net cash flows generated from/(used in) operating activities	**204,842**	6,126	**(58,566)**	(165,428)
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisitions of property, plant and equipment	**(1,057)**	(1,823)	**-**	-
Additions in investment properties	**(5)**	(3,440)	**-**	-
Additions of fit-out contribution	**-**	(4,000)	**-**	-
Dividends income from:				
- a subsidiary	**-**	-	**73,360**	-
- an associate	**583**	1,434	**-**	-
- investment securities	**-**	1,047	**-**	992
Disposals of other investments	**-**	119,387	**-**	112,177
Purchase of additional unquoted shares in subsidiaries	**-**	-	**(83,871)**	(162,102)
Proceed from liquidation of a subsidiary	**-**	-	**37**	-
Proceed from redemption of preference shares in subsidiaries	**-**	-	**42,760**	174,210
Net cash flows (used in)/generated from investing activities carried forward	**(479)**	112,605	**32,286**	125,277

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

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 30 June 2023
cont'd

	GROUP		COMPANY	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM INVESTING ACTIVITIES *cont'd*				
Net cash flows (used in)/generated from investing activities brought forward	**(479)**	112,605	**32,286**	125,277
Proceeds from disposals of property, plant and equipment	**2**	1	**-**	-
Interest received	**2,720**	1,760	**3,226**	3,669
Net cash flows generated from investing activities	**2,243**	114,366	**35,512**	128,946
CASH FLOWS FROM FINANCING ACTIVITIES				
Drawdown of bank borrowings	**168,388**	503,491	**114,900**	274,500
Repayment of bank borrowings	**(303,491)**	(525,027)	**(46,600)**	(215,000)
Payment of borrowing costs	**(1,393)**	-	**-**	-
Repayment of principal portion of lease liabilities	**(2,244)**	(2,035)	**(68)**	(78)
(Placement)/withdrawal of deposits with licensed banks not available for use	**(12,068)**	3,979	**(10)**	(6)
Dividends paid to shareholders of the Company	**(13,398)**	(13,398)	**(13,398)**	(13,398)
Redemption of Cummulative Redeemable Preference Share ("CRPS") from a joint venture	**13,991**	-	**-**	-
Reduction of ordinary shares paid to non-controlling interest	**-**	(68,732)	**-**	-
Redemption of RPS to non-controlling interest	**(3,040)**	-	**-**	-
Net cash flows (used in)/generated from financing activities	**(153,255)**	(101,722)	**54,824**	46,018
NET INCREASE IN CASH AND CASH EQUIVALENTS	**53,830**	18,770	**31,770**	9,536
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	**100,730**	81,960	**12,711**	3,175
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR (Note 29)	**154,560**	100,730	**44,481**	12,711

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

1. CORPORATE INFORMATION

GuocoLand (Malaysia) Berhad ("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 Level 32, Menara Hong Leong, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur. The principal place of business of the Company is located at Level 13, Menara Guoco, Damansara City, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur.

The immediate holding company is GLL (Malaysia) Pte Ltd, incorporated in the Republic of Singapore. The ultimate holding company is GuoLine Capital Assets Limited ("GCA"), incorporated in Jersey, Channel Islands.

Related companies in these financial statements refer to member companies in the GCA Group.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are as stated in Note 39. There have been no significant changes in the nature of the principal activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 5 October 2023.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

The financial statements have been prepared on the historical cost basis, unless otherwise indicated in the summary of significant accounting policies below.

The financial statements are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

The ability of the Company to continue as a going concern is closely related to the ability of the Group as a whole to continue as a going concern. The Company is an investment holding company and its main assets are the investment in subsidiaries which the Company controls. The Company's main source of income is from dividend income and interest income charged to subsidiaries.

The management of the Company monitors the cash flows and utilisation of funds within the Group for the requirements of the Company as well as the subsidiaries on a Group-wide basis. This includes determining the timing and quantum of the repayment of amounts due from and due to the subsidiaries of the Company when required.

As at 30 June 2023, the Group has net current assets and net assets of RM739,064,000 and RM1,414,086,000 respectively. The directors and the management of the Company have assessed and concluded that the going concern assumption remains appropriate for the Group and the Company.

2.2 Changes in accounting policies arising from adoption of new MFRSs and Amendments to MFRSs

The accounting policies adopted by the Group and the Company are consistent with those of the previous financial year.

On 1 July 2022, the Group and the Company adopted the following amended MFRSs and interpretation mandatory for annual financial periods beginning on or after 1 January 2022.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2023
cont'd

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

2.2 Changes in accounting policies arising from adoption of new MFRSs and Amendments to MFRSs *cont'd*

Effective for financial periods beginning on or after 1 January 2022:

Amendments to MFRS 1	First-time Adoption of MFRS-Subsidiary as a First-time Adopter
Amendments to MFRS 3	Reference to the Conceptual Framework
Amendments to MFRS 9	Financial Instruments - Fees in the '10 percent' Test for Derecognition of Financial Liabilities
Amendments to MFRS 116	Property, Plant and Equipment - Proceeds before Intended Use
Amendments to MFRS 137	Onerous Contracts - Cost of Fulfilling a Contract
Amendments to MFRS 141	Agriculture - Taxation in Fair Value Measurements

Adoption of the above new MFRSs and Amendments to MFRSs did not have any material effect on the financial performance or position of the Group and of the Company.

2.3 Standards issued but not yet effective

The standards, amendments to MFRSs and interpretations that are issued but not yet effective up to the date of issuance of the Group's and of the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

Effective for financial periods beginning on or after 1 January 2023:

Amendments to MFRS 17	Insurance Contracts - Initial Application of MFRS 17 and MFRS 9 - Comparative Information
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current
Amendments to MFRS 101	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to MFRS 112	International Tax Reform - Pillar Two Model Rules

Effective for financial periods beginning on or after 1 January 2024:

Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Non-current Liabilities with Covenants

Effective for financial periods beginning on or after 1 January 2025:

Amendments to MFRS 121	Lack of Exchangeability

Effective date deferred to a date to be determined by MASB:

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The new MFRSs and Amendments to MFRSs above are expected to have no significant impact on the financial statements of the Group and of the Company upon their initial application except for the changes in presentation and disclosures of financial information arising from the adoption of these new MFRSs and Amendments to MFRSs.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

2.4 Basis of consolidation

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

The Group controls an investee if and only if the Group has all the following:

(i) power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);

(ii) exposure, or rights, to variable returns from its investment with the investee; and

(iii) the ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting rights of an investee, the Group considers the following in assessing whether or not the Group's voting rights in an investee are sufficient to give it power over the investee:

(i) the contractual arrangement with the other vote holders of the investee;

(ii) rights arising from other contractual arrangements; and

(iii) the Group's voting rights and potential voting rights.

Subsidiaries are consolidated when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Losses within a subsidiary are attributed to the non-controlling interests even if that results in a deficit balance.

When the Group loses control of a subsidiary, a gain or loss calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets and liabilities of the subsidiary and any non-controlling interest, is recognised in profit or loss. The subsidiary's cumulative gain or loss which has been recognised in other comprehensive income and accumulated in equity is reclassified to profit or loss or, where applicable, transferred directly to retained earnings. The fair value of any investment retained in the former subsidiary at the date control is lost is regarded as the cost on initial recognition of the investment.

Business combinations

Acquisitions of subsidiaries are accounted for by applying the acquisition method, except for business combinations which were accounted for using merger method of accounting as below:

(i) subsidiaries that were consolidated prior to 1 January 2002 using the merger method of accounting where these subsidiaries continue to be consolidated using the merger method of accounting; and

(ii) business combinations involving entities or businesses under common control.

Under the acquisition method, identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

NOTES TO THE FINANCIAL STATEMENTS

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cont'd

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

2.4 Basis of consolidation *cont'd*

Business combinations *cont'd*

In business combinations achieved in stages, previously held equity interests in the acquiree are re-measured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any) is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree net identifiable assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill in the statement of financial position. The accounting policy for goodwill is set out in Note 2.14. In instances where the latter amount exceeds the former, the excess is recognised as a gain on bargain purchase in profit or loss on the acquisition date.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Business combinations involving entities under common control are accounted for by applying the merger method of accounting. The assets and liabilities of the combining entities are reflected at their carrying amounts reported in the consolidated financial statements of the controlling holding company. Any difference between the consideration paid and the share capital and capital reserves of the "acquired" entity is reflected within equity as merger reserve. The statement of comprehensive income reflects the results of the combining entities for the full year, irrespective of when the combination takes place. Comparatives are presented as if the entities had always been combined since the date the entities had come under common control.

2.5 Transactions with non-controlling interest

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the parent, and is presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the parent.

Changes in the Company owners' ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the parent.

2.6 Subsidiaries

In the Company's separate financial statements, investments in subsidiaries are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

2.7 Associates

An associate is an entity, not being a subsidiary or a joint venture, in which the Group has significant influence. An associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

The Group's investments in associates are accounted for using the equity method. Under the equity method, the investment in associates is measured in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associates. Goodwill relating to associates is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of an associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associate's profit or loss for the period in which the investment is acquired. Unrealised profits arising from transactions with associates are eliminated.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associates. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

In the Company's separate financial statements, investments in associates are stated at cost less any impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

2.8 Joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Investments in joint ventures are accounted for in the consolidated financial statements using the equity method of accounting as described in Note 2.7.

The financial statements of the joint venture are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies to be in line with those of the Group.

In the Company's separate financial statements, investments in joint ventures are stated at cost less impairment losses.

On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

2.9 Foreign currency

(a) 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 the entity operates ("functional currency"). The consolidated financial statements are presented in RM, which is also the Company's functional currency.

(b) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date.

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

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

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

(c) Foreign operations

The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the reporting date and income and expenses are translated at exchange rates at the dates of the transactions. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in the profit or loss.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the reporting date.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

2.10 Property, plant and equipment

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

Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. When significant parts of plant and equipment are required to be replaced at intervals, the Group and the Company recognise such parts as individual assets with specific useful lives and depreciates them accordingly. The carrying amount of parts that are replaced is derecognised. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Freehold land has an unlimited useful life and therefore is not depreciated.

Oil palms are classified as bearer plants within property, plant and equipment. Expenditure that are directly related to the planting and upkeep of oil palms are capitalised until the palms reach maturity. Upon maturity, further maintenance and upkeep costs for oil palms are expensed to profit or loss. Bearer plants commence depreciation when oil palms reach maturity.

Depreciation of other property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Buildings	2% - 4%
Building service plant and equipment	10% - 20%
Office equipment	10% - 20%
Furniture and fittings	5% - 10%
Motor vehicles	20%
Bearer plants	4.5%

The residual values, useful life and depreciation method are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the net carrying amount is recognised in profit or loss.

2.11 Biological assets

Biological assets comprised produce growing on bearer plants. Biological assets are measured at fair value less costs to sell. Any gains or losses arising from changes in the fair value less costs to sell are recognised net in profit or loss. Fair value is determined based on the present value of expected net cash flows from the biological assets. The expected net cash flows are estimated using the expected output method and the estimated market price of the biological assets.

Biological assets are classified as current assets for bearer plants that are expected to be harvested on a date not more than 12 months after the reporting.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2023
cont'd

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

2.12 Investment properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Fair value is arrived at by reference to market evidence of transaction prices for similar properties.

Gains or losses arising from changes in the fair values of investment properties are recognised in profit or loss in the year in which they arise.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of retirement or disposal.

The estimated value of future assets is based on the expected future income from the project, using risk adjusted yields that are higher than the current yields of similar completed property. The remaining expected costs of completion plus margin are deducted from the estimated future assets value.

2.13 Inventories

(a) Land held for property development

Land held for property development consists of land where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is stated at cost less any accumulated impairment losses. Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount.

Land held for property development is reclassified as property development costs under current asset at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

(b) Property development costs

Property development costs are stated at the lower of costs and net realisable value. The cost of land, related development costs common to entire development project and direct building costs less cumulative amounts recognised as expense in the profit or loss for property under development are carried in the statements of financial position as property development costs. The property development cost is subsequently recognised as an expense in profit or loss as and when the control of the inventory is transferred to the customer.

Property development cost of unsold unit is transferred to completed development unit once the development is completed.

(c) Completed development properties

Completed development properties represent completed residential properties and commercial properties.

Inventories of completed residential and commercial properties are stated at the lower of cost and net realisable value. Cost is determined on the specific identification basis and includes costs of acquisition of land, related development costs to project and direct building costs.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

2.13 Inventories *cont'd*

(d) Consumable stores and spares

Inventories of consumables stores and spares are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis.

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

2.14 Goodwill

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired is allocated, from the acquisition date, to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination.

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is indication that the cash-generating unit may be impaired, by comparing the carrying amount of the cash-generating unit, including the allocated goodwill, with the recoverable amount of the cash-generating unit. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit and part of the operation within that cash-generating unit is disposed off, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed off in this circumstance is measured based on the relative fair values of the operations disposed and the portion of the cash-generating unit retained.

2.15 Impairment of non-financial assets

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

30 June 2023
cont'd

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

2.15 Impairment of non-financial assets *cont'd*

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

2.16 Financial instruments - initial recognition and subsequent measurement

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

(a) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost and measured at fair value through profit or loss.

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

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

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

2.16 Financial instruments - initial recognition and subsequent measurement *cont'd*

(a) Financial assets *cont'd*

Subsequent measurement

For purposes of subsequent measurement, financial assets of the Group and of the Company are classified in two categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group and the Company. The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

The Group's and the Company's financial assets at amortised cost are disclosed in Note 24.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income ("OCI"), debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with the net changes in fair value recognised in the profit or loss.

This category includes investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on investments are also recognised as other income in the profit or loss when the right of payment has been established.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2023
cont'd

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

2.16 Financial instruments - initial recognition and subsequent measurement *cont'd*

(a) Financial assets *cont'd*

Derecognition

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

- the rights to receive cash flows from the asset have expired; or

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

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

On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received together with any cumulative gain or loss that has been recognised in other comprehensive income is recognised in profit or loss.

Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that an asset is impaired.

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

2.16 Financial instruments - initial recognition and subsequent measurement *cont'd*

(a) Financial assets *cont'd*

Impairment of financial assets *cont'd*

For trade receivables and contract assets, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have performed its assessment based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. In making this assessment, the Group and the Company also take into consideration that it would maintain its name as the registered owner of the properties until full settlement is made by the purchasers or the purchasers' end-financiers.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's and the Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

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

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in MFRS 9 are satisfied. The Group and the Company have not designated any financial liability as at fair value through profit or loss.

Loans and borrowings

This is the category most relevant to the Group and the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2023
cont'd

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

2.16 Financial instruments - initial recognition and subsequent measurement *cont'd*

(b) Financial liabilities *cont'd*

Derecognition

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

(c) Offsetting of financial instruments

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

2.17 Contract assets and contract liabilities

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. In the case of property development and construction contracts, contract asset is the excess of cumulative revenue earned over the billings to date. A contract asset is stated at cost less accumulated impairment. Contract assets are subject to impairment in accordance of MFRS 9 Financial Instruments.

A contract liability is the obligation to transfer goods and services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. In the case of property development and construction contracts, contract liability is the excess of the billings to date over the cumulative revenue earned. Contract liabilities are recognised as revenue when the Group performs its obligation under the contracts.

2.18 Contract cost asset

Contract cost asset represents the incremental costs of obtaining a contract with customers and costs to fulfill a contract.

(a) Costs to obtain contracts with customers

Costs to obtain contracts with customers are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtain such as sales commission.

(b) Costs to fulfill a contract

Costs to fulfill a contract are the costs relate directly to a contract or to an anticipated contract that the Group can specifically identify, the costs generate or enhance resources of the Group that will be used in satisfying performance obligations in the future and the costs are expected to be recovered.

Contract cost asset is amortised on a systematic basis that is consistent with the transfer to customer of the goods or services to which asset relate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

2.18 Contract cost asset *cont'd*

The Group recognises an impairment loss in the profit or loss to the extent that the carrying amount of contract cost asset exceeds:

(i) the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates; less

(ii) the costs that relate directly to providing those goods or services and that not been recognised as expenses.

2.19 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, and demand deposits that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

2.20 Provisions

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

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

2.21 Share capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Group and of the Company after deducting all of their liabilities. Ordinary stock units are equity instruments.

Ordinary stock units are recorded at the proceeds received, net of directly attributable incremental transaction costs. Dividends on ordinary stock units are recognised in equity in the period in which they are declared.

2.22 Trust for executive share schemes

The Company has established a trust for its executive share schemes ("ESS") and is administered by an appointed trustee. The trustee will be entitled from time to time to accept financial assistance from the Company upon such terms and conditions as the Company and the trustee may agree to purchase the Company's share from the open market for the purposes of this trust.

The shares purchased are measured and carried at the cost of purchase on initial recognition and subsequently. The ESS Trust is consolidated into the Group's consolidated financial statements as a deduction from equity and classified as "Shares held by ESS Trust". Dividends received by the ESS Trust are eliminated against the dividend expense of the Company.

NOTES TO THE FINANCIAL STATEMENTS

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cont'd

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

2.23 Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of an inventory property that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Capitalisation commences when: (1) the Group incurs expenditures for the asset; (2) the Group incurs borrowing costs; and (3) the Group undertakes activities that are necessary to prepare the asset for its intended use or sale. All other borrowing costs are expensed in the period in which they have incurred in connection with the borrowing of funds.

The capitalisation of finance costs is suspended if there are prolonged periods when development activity is interrupted. Interest is also capitalised on the purchase cost of a site of property acquired specifically for redevelopment, but only where activities necessary to prepare the asset for redevelopment are in progress.

2.24 Leases

(a) As lessee

The Group and the Company assess at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group and the Company apply a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group and the Company recognise lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Group and the Company recognise right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Leasehold land	2 to 7 years
Office premises	2 to 9 years
Computer equipment	3 years

If ownership of the leased asset transfers to the Group and the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

2.24 Leases *cont'd*

(a) As lessee *cont'd*

(ii) Lease liabilities

At the commencement date of the lease, the Group and the Company recognise lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and the Company and payments of penalties for terminating the lease, if the lease term reflects the Group and the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group and the Company use their incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Group and the Company apply the short-term lease recognition exemption to its short-term leases of equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

(b) As lessor

Leases where the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. The accounting policy for rental income is set out in Note 2.25(b).

2.25 Revenue recognition

(a) Revenue from property development

Contracts with customers may include multiple promises to customers and therefore accounted for as separate performance obligations. In this case, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. When these are not directly observable, they are estimated based on expected cost plus margin.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2023
cont'd

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

2.25 Revenue recognition *cont'd*

(a) Revenue from property development *cont'd*

The transaction price from property development is measured at the fixed transaction price agreed under the sale and purchase agreement net of variable consideration and consideration payable to a customer such as rebate, discount, liquidated damages, legal fees and maintenance charges paid on behalf of the customer, if any.

Revenue from property development is recognised as and when the control of the asset is transferred to the customer and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if 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.

This is generally established when:

- the promised properties are specifically identified by its plot, lot and parcel number and its attributes (such as its size and location) in the sale and purchase agreements and the attached layout plan and the purchasers could enforce its rights to the promised properties if the Group seeks to sell the unit to another purchaser. The contractual restriction on the Group's ability to direct the promised residential property for another use is substantive and the promised properties sold to the purchasers do not have an alternative use to the Group; and

- the Group has the right to payment for performance completed to date and is entitled to continue to transfer to the customer the development units promised and has the rights to complete the construction of the properties and enforce its rights to full payment.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

The Group recognises revenue over time using the input method, which is based on the actual cost incurred to date on the property development project as compared to the total budgeted cost for the respective development projects.

The Group recognises sales at a point in time for the sale of completed properties and land, when the control of the properties has been transferred to the purchasers, being when the properties have been completed and delivered to the customers and it is probable that the Group will collect the considerations to which it will be entitled to in exchange for the assets sold.

If the Group has determined that it has a significant financing component related to the sales of its property units being developed under the deferred payment scheme, the amount of the promised consideration is adjusted for the significant financing component and the related interest income is recognised using the effective interest method over the term of the deferment.

(b) Rental income

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

2.25 Revenue recognition *cont'd*

(c) Hotel income

Revenue from hotel operations is recognised net of service taxes and discounts upon rendering of the relevant services or sales of goods.

(d) Dividend income

Dividend income arising from investments in subsidiaries, joint ventures, associates, long term investments and short term investments are recognised when the right to receive payment is established.

(e) Management fee income

Management fee is recognised when service is rendered.

(f) Sale of fresh fruit bunches

Revenue from sale of fresh fruit bunches is recognised at the point when control of the goods transferred to the customer.

(g) Interest income

Interest income is recognised using the effective interest method.

2.26 Income tax

(a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in jointly controlled entities, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2023
cont'd

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

2.26 Income tax *cont'd*

(b) Deferred tax *cont'd*

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in jointly controlled entities, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will be reversed in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) Sales and Service Tax ("SST")

Revenues, expenses and assets are recognised net of the amount of SST except:

- when the sales tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the SST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- for receivables and payables that are stated with the amount of SST included.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

2.27 Employee benefits

(a) Short term benefits

Wages, salaries, paid annual leave and sick leave, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees.

(b) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group and the Company pay fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding years. Such contributions are recognised as an expense in the profit or loss as incurred. As required by laws, companies in Malaysia make such contributions to the Employees Provident Fund ("EPF").

(c) Share-based payments

The Group and the Company operate equity-settled, share based compensation plans for the eligible executives of the Group and of the Company.

The fair value of the employee service received in exchange for the grant of the share options is recognised as an expense in the profit or loss over the vesting periods of the grant with a corresponding increase in equity. The proceeds received net of any directly attributable transaction costs are credited to equity when the options are exercised.

The total amount to be expensed over the vesting period is determined by reference to the fair value of the share options granted, excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each reporting date, the Group and the Company revise their estimates of the number of share options that are expected to vest. They recognise the impact of the version of original estimates, if any, in the profit or loss, with a corresponding adjustment to equity.

2.28 Operating segments

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

2.29 Fair value measurement

The Group and the Company measure non-financial assets such as investment properties, at fair value at each reporting date.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2023
cont'd

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

2.29 Fair value measurement *cont'd*

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

(a) in the principal market for the asset or liability; or

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

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

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

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

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

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

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

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

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

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

The Group's and the Company's management determines the policies and procedures for both recurring fair value measurement, such as investment properties and financial assets at fair value through profit or loss, and for non-recurring measurement, such as assets held for distribution in discontinued operation.

External valuers are involved for valuation of significant assets, such as properties and financial assets at fair value through profit or loss, and significant liabilities, such as contingent consideration. Selection criteria of external valuers include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Group's and the Company's external valuers, which valuation techniques and inputs to use for each case.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

2.29 Fair value measurement *cont'd*

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's and the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Group's and the Company's external valuers, also compares the changes in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group and the Company have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.30 Current versus non-current classification

The Group and the Company present assets and liabilities in statements of financial position based on current/non-current classification. An asset is current when it is:

(i) expected to be realised or intended to be sold or consumed in normal operating cycle;
(ii) held primarily for the purpose of trading;
(iii) expected to be realised within twelve months after the reporting period; or
(iv) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

(i) it is expected to be settled in normal operating cycle;
(ii) it is held primarily for the purpose of trading;
(iii) it is due to be settled within twelve months after the reporting period; or
(iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group and the Company classify all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.31 Contingencies

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

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

2.32 Non-current assets held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Such non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding the finance costs and income tax expense.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2023
cont'd

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *cont'd*

2.32 Non-current assets held for sale *cont'd*

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the sale will be withdrawn. Management must be committed to the plan to sell the asset and the sale is expected to be completed within one year from the date of the classification.

Assets classified as held for sale are presented separately as current items in the statements of financial position.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

3.1 Critical judgements made in applying accounting policies

The following are critical judgements made by management in the process of applying the Group's and the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements:

(a) Operating lease commitments – the Group as lessor

The Group has entered into commercial property leases on its investment properties. The Group has determined that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

(b) Classification between investment properties and property, plant and equipment

The Group has developed certain criteria based on MFRS 140 in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes.

If these portions could be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately.

If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are significant that a property does not qualify as investment property.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES *cont'd*

3.2 Key sources of estimation uncertainty

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

(a) Revenue recognition of property development activities

The Group recognises property development revenue and expenses in the income statements by using an input method which is based on costs incurred for work performed up to the reporting period relative to the total expected cost to the satisfaction of that performance obligations.

Significant judgement is required in determining the progress towards complete satisfaction of the performance obligation and this includes determining the extent of property development costs incurred and the total estimated cost of property development, which in turn is used to determine the percentage of completion and gross profit margin of property development activities undertaken by the Group. In making these judgements, management relies on determining past experience and the work of specialists.

(b) Depreciation of property, plant and equipment

The cost of hotel buildings are depreciated on a straight-line basis over 50 years with no residual values assumed at the end of their respective useful lives. This is due to the intention of management to continue running the hotel operations until the end of the respective expected useful lives. Changes in the upkeep and maintenance policies could impact the economic useful lives and the residual values of these assets and therefore, future depreciation charges on such assets could be revised.

(c) Income tax

(i) Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the losses and capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

The total carrying value of recognised and unrecognised deferred tax assets of the Group are as disclosed in Note 22.

(ii) Significant judgement and estimates are used in arriving at taxable profits for the year and for prior years, including assessing the deductibility of expense items for tax purposes. Management are guided by tax laws/cases on such instances. Management believes that all deductions claimed, in arriving at taxable profits for current and prior years, are appropriate and justifiable.

(d) Unsold property inventories

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

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

Details of property inventories are disclosed in Note 23.

NOTES TO THE FINANCIAL STATEMENTS

30 June 2023
cont'd

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES *cont'd*

3.2 Key sources of estimation uncertainty *cont'd*

(e) Fair value of investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in profit or loss. The Group engaged independent professional valuers to perform valuation on its investment properties at each reporting date. The valuation methodology commonly used is the comparison method which is based on comparable historical transactions adjusted for specific market factors such as occupancy rate, property's location, property's size and tenure.

Details of investment properties are disclosed in Note 17. Details of significant inputs used in the valuation are disclosed in Note 38.

(f) Provision of expected credit loss of trade receivables, other receivables and contract assets

The Group and the Company assess the credit risk at each reporting date, whether there have been significant increases in credit risk since initial recognition on an individual basis. To determine whether there is a significant increase in credit risks, the Group and the Company had considered factors such as the probability of insolvency or significant financial difficulties of the debtors and default or significant delay in payments.

Where there is a significant increase in credit risk, the Group and the Company determine the lifetime expected credit loss by considering the loss given default and the probability of default assigned to each counterparty customer. The financial assets are written off either partially or full when there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write-offs.

The carrying amounts of the receivables and contract assets are disclosed in Note 24 and Note 25 respectively.

(g) Impairment of investments in subsidiaries

The Company reviews its investments in subsidiaries when there are indicators of impairment. Impairment is measured by comparing the carrying amount of an investment with its recoverable amount. Significant judgement is required in determining the recoverable amount. The Company evaluates the recoverable amounts based on market performance, economic and political situation of the country in which the subsidiaries operate.

During the financial year, the Company recognised a net impairment loss on investments in subsidiaries amounting to RM5,173,000. The carrying amount of investments in subsidiaries as at 30 June 2023 is RM1,232,456,000. Further details are disclosed in Note 18.

(h) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

4. REVENUE

	GROUP		COMPANY	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Revenue from contract with customers	**417,614**	420,323	**-**	-
Revenue from other sources:				
- rental income from:				
- investment properties	**16,735**	13,743	**-**	-
- dividend income from:				
- a subsidiary (Note 42(b))	**-**	-	**73,360**	-
	434,349	434,066	**73,360**	-

Disaggregation of the revenue from contract with customers:

Major goods and services				
Property development:				
- sale of properties under development	**266,261**	332,395	**-**	-
- sale of property inventories	**69,446**	45,505	**-**	-
- sale of land	**18,961**	-	**-**	-
Revenue from hotel operations	**45,846**	21,287	**-**	-
Sale of fresh fruit bunches	**8,914**	13,701	**-**	-
Management fees	**8,186**	7,435	**-**	-
	417,614	420,323	**-**	-
Geographical market				
Malaysia	**417,614**	420,323	**-**	-
Timing of revenue recognition				
- at a point in time	**119,218**	69,726	**-**	-
- over time	**298,396**	350,597	**-**	-
	417,614	420,323	**-**	-

Revenue from contracts with customers of the Group includes RM8,318,000 (2022: RM8,836,000) that was included in contract liabilities at the beginning of the financial year.

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5. COST OF SALES

	GROUP		COMPANY	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Cost to fulfill a contract (Note 26)	**178,344**	234,917	**-**	-
Cost to obtain a contract (Note 26)	**10,079**	10,398	**-**	-
Cost of property inventories sold (Note 23)	**55,974**	34,870	**-**	-
Cost of land sold (Note 23(a))	**5,995**	-	**-**	-
Cost of rental of properties	**12,198**	10,452	**-**	-
Cost of hotel operations	**32,533**	19,705	**-**	-
Cost of fresh fruit bunches sold	**2,428**	2,922	**-**	-
Others	**297**	-	**-**	-
	297,848	313,264	**-**	-

6. OTHER NET OPERATING INCOME/(EXPENSES)

	GROUP		COMPANY	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Gain on disposal on property plant and equipment	**2**	-	**-**	-
Rental income	**1,803**	1,690	**-**	-
Bad debts written off	**(18)**	(1,368)	**-**	-
Reversal of allowance for impairment on trade receivables (Note 24)	**4**	1,992	**-**	-
Allowance for impairment on:				
- trade receivables (Note 24)	**(108)**	-	**-**	-
- other receivables (Note 24)	**-**	(100)	**-**	-
Realisation of goodwill (Note 21)	**(459)**	(459)	**-**	-
Provision for foreseeable losses of property development activities (Note 34)	**-**	(87)	**-**	-
Balance carried forward	**1,224**	1,668	**-**	-

6. OTHER NET OPERATING INCOME/(EXPENSES) *cont'd*

	GROUP		COMPANY	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Balance brought forward	**1,224**	1,668	**-**	-
Inventories written down	**(4,130)**	-	**-**	-
Net gain/(loss) on fair value of investment properties (Note 17)	**5,595**	(1,440)	**-**	-
Net impairment loss on investment in subsidiaries (Note 18)	**-**	-	**(5,173)**	(2,962)
(Loss)/gain on fair value on biological assets (Note 28)	**(247)**	381	**-**	-
Dividend income received	**-**	1,047	**-**	992
Forfeiture income/deposit	**114**	78	**-**	-
Gain from capital reduction in a subsidiary	**-**	-	**-**	1,791
Gain on lease termination	**2**	-	**-**	-
Loss on liquidation of subsidiary	**-**	-	**(15)**	(2)
Other income	**2,985**	6,757	**-**	195
	5,543	8,491	**(5,188)**	14

7. FINANCE INCOME

	GROUP		COMPANY	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Interest income from:				
- subsidiaries (Note 42(b))	**-**	-	**3,121**	2,870
- late payment interests	**9**	93	**-**	-
- short-term deposits	**2,720**	1,760	**105**	799
Others	**243**	191	**-**	-
	2,972	2,044	**3,226**	3,669

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8. FINANCE COSTS

	GROUP		COMPANY	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Interest expenses on:				
- loans and borrowings	**26,351**	24,419	**7,929**	3,436
- subsidiaries (Note 42(b))	**-**	-	**-**	141
- lease liabilities (Note 16)	**420**	447	**9**	2
Amortisation of borrowing cost (Note 33)	**586**	1,392	**-**	-
Others	**367**	1,160	**6**	336
	27,724	27,418	**7,944**	3,915

9. PROFIT/(LOSS) BEFORE TAX

The following amounts have been included in arriving at profit/(loss) before tax:

	GROUP		COMPANY	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Auditors' remuneration:				
- statutory audit	**625**	550	**205**	150
- non-audit	**38**	9	**-**	-
- (over)/underprovision in previous years	**(6)**	2	**-**	-
Direct operating expenses of income generating investment properties	**12,198**	10,452	**-**	-
Depreciation of property, plant and equipment (Note 15)	**10,424**	12,563	**3**	5
Depreciation of right-of-use assets (Note 16)	**2,285**	4,038	**71**	76
Employee benefits expense (Note 10)	**42,550**	38,056	**38**	31
Non-executive directors' remuneration (Note 11)	**498**	498	**438**	438
Expenses relating to:				
- short-term leases	**37**	219	**-**	-
- leases of low-value assets	**74**	72	**-**	-

10. EMPLOYEE BENEFITS EXPENSE

	GROUP		COMPANY	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Salaries and wages	**34,783**	31,894	**-**	-
Defined contribution plans	**3,557**	3,176	**-**	-
Social security contributions	**316**	234	**-**	-
Other benefits	**3,894**	2,752	**38**	31
	42,550	38,056	**38**	31

Included in employee benefits expense of the Group are executive directors' remuneration excluding benefits-in-kind amounting to RM2,406,000 (2022: RM2,303,000) respectively as disclosed in Note 11.

11. DIRECTORS' REMUNERATION

The details of remuneration of the Company's directors in the Group and the Company during the respective financial years were as follows:

	GROUP		COMPANY	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Executive:				
Salaries and other emoluments	**2,360**	2,266	**-**	-
Defined contribution plans	**46**	37	**-**	-
Estimated money value of benefits-in-kind	**117**	35	**-**	-
	2,523	2,338	**-**	-
Non-Executive:				
Fees	**350**	350	**290**	290
Other emoluments	**148**	148	**148**	148
	498	498	**438**	438
Total directors' remuneration	**3,021**	2,836	**438**	438
Total directors' remuneration excluding benefits-in-kind				
- Executive directors (Note 10)	**2,406**	2,303	**-**	-
- Non-executive directors (Note 9)	**498**	498	**438**	438
Total directors' remuneration excluding benefits-in-kind	**2,904**	2,801	**438**	438

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11. DIRECTORS' REMUNERATION *cont'd*

The number of directors of the Company (including director resigned during the financial year) whose total remuneration during the respective financial years fall within the following bands is analysed below:

	Number of directors	
	2023	**2022**
Executive directors:		
RM500,000 and below	**1**	-
RM2,000,001 - RM2,500,000	**1**	1
	2	1
Non-executive directors:		
RM50,000 and below	**2**	2
RM100,001 - RM150,000	**4**	4
	6	6

12. INCOME TAX EXPENSE

The major tax components of income tax expense for the financial years ended are:

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Current income tax:				
- Malaysian income tax	**21,048**	17,324	**650**	-
- (Over)/underprovision in prior financial years	**(1,561)**	(127)	**-**	7
	19,487	17,197	**650**	7
Real property gains tax	**394**	-	**-**	-
Deferred tax (Note 22):				
- Relating to origination and reversal of temporary differences	**(2,229)**	3,178	**-**	-
- (Over)/underprovision in prior financial year	**(461)**	1,503	**-**	-
	(2,690)	4,681	**-**	-
Income tax expense for the financial year	**17,191**	21,878	**650**	7

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2022: 24%) of the estimated assessable profit for the financial year.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

12. INCOME TAX EXPENSE *cont'd*

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

	GROUP		COMPANY	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Profit/(loss) before tax	**56,066**	50,007	**57,042**	(6,511)
Taxation at Malaysian statutory tax rate of 24% (2022: 24%)	**13,456**	12,002	**13,690**	(1,563)
Deferred tax recognised at different tax rates	**(389)**	202	**-**	-
Share of loss/(profit) of associates	**1,129**	(1,083)	**-**	-
Share of profit of joint ventures	**(3,668)**	(3,797)	**-**	-
Tax effect on dividend income from an associate	**140**	344	**-**	-
Income not subject to tax	**(1,048)**	(1,105)	**(17,606)**	(284)
Expenses not deductible for tax purposes	**6,373**	6,835	**4,566**	1,847
Utilisation of previously unrecognised deferred tax assets	**(882)**	(672)	**-**	-
Deferred tax assets not recognised during the financial year	**4,102**	7,776	**-**	-
(Over)/underprovision of income tax expense in prior financial years	**(1,561)**	(127)	**-**	7
(Over)/underprovision of deferred tax in prior financial year	**(461)**	1,503	**-**	-
Income tax expense for the financial year	**17,191**	21,878	**650**	7

13. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing the profit for the financial year, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares in issue during the financial year (net of ESS Trust shares).

Diluted earnings per share amounts are calculated by dividing the profit for the financial year, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares in issue during the financial year (net of ESS Trust shares) plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive ordinary shares into ordinary shares.

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13. EARNINGS PER SHARE *cont'd*

The following reflect the profit and share data used in the computation of basic and diluted earnings per share for the financial years ended 30 June:

	GROUP	
	2023	2022
	RM'000	RM'000
Profit attributable to owners of the parent	**34,606**	26,299
	Number of shares	**Number of shares**
	'000	**'000**
Weighted average number of ordinary shares for diluted earnings per share computation	**669,881**	669,881
Earnings per share attributable to owners of the parent (sen per share):		
Basic	**5.17**	3.93
Diluted	**5.17**	3.93

Subsequent to the financial year, there have been no other transactions involving ordinary shares of the Company.

14. DIVIDENDS

	Amount		Net dividend per share	
	2023	2022	2023	2022
	RM'000	RM'000	Sen	Sen
GROUP AND COMPANY				
In respect of financial year ended 30 June 2022				
- Final single tier dividend of 2 sen per share paid on 15 November 2022	**13,398**	-	**2.00**	-
In respect of financial year ended 30 June 2021				
- Final single tier dividend of 2 sen per share paid on 10 December 2021	**-**	13,398	**-**	2.00
	13,398	13,398	**2.00**	2.00

On 18 August 2023, the Board had declared a final single tier dividend in respect of the financial year ended 30 June 2023, of 2 sen per share on 669,880,418 ordinary shares (net of ESS Trust shares), amounting to RM13,397,608 to be paid on 15 November 2023. The financial statements for the current financial year do not reflect this dividend. Such dividend will be accounted for in shareholders' equity as an appropriation of retained profits in the financial year ending 30 June 2024.

15. PROPERTY, PLANT AND EQUIPMENT

	Freehold land and buildings	Building service plant and equipment	Office equipment	Furniture and fittings	Motor vehicles	Bearer plants	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
GROUP							
At 30 June 2023							
Cost							
At 1 July 2022	**340,856**	**14,299**	**14,526**	**2,852**	**1,833**	**3,915**	**378,281**
Additions	**-**	**668**	**238**	**6**	**145**	**-**	**1,057**
Adjustment [1]	**(1,124)**	**(523)**	**-**	**-**	**-**	**-**	**(1,647)**
Disposal	**-**	**-**	**(43)**	**-**	**-**	**-**	**(43)**
Written off	**-**	**-**	**(5)**	**-**	**-**	**-**	**(5)**
At 30 June 2023	**339,732**	**14,444**	**14,716**	**2,858**	**1,978**	**3,915**	**377,643**
Accumulated depreciation							
At 1 July 2022	**41,492**	**8,591**	**10,645**	**1,561**	**1,708**	**2,031**	**66,028**
Charge for the financial year (Note 9)	**5,929**	**2,933**	**1,182**	**86**	**132**	**162**	**10,424**
Disposal	**-**	**-**	**(43)**	**-**	**-**	**-**	**(43)**
Written off	**-**	**-**	**(5)**	**-**	**-**	**-**	**(5)**
At 30 June 2023	**47,421**	**11,524**	**11,779**	**1,647**	**1,840**	**2,193**	**76,404**
Net carrying amount							
At 30 June 2023	**292,311**	**2,920**	**2,937**	**1,211**	**138**	**1,722**	**301,239**

1 During the financial year, the Group has finalised certain costs incurred for its freehold land and building, building service plant and equipment and arising therefrom, RM1,647,000 was adjusted against other payables.

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15. PROPERTY, PLANT AND EQUIPMENT *cont'd*

	Freehold land and buildings	Building service plant and equipment	Office equipment	Furniture and fittings	Motor vehicles	Bearer plants	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
GROUP							
At 30 June 2022							
Cost							
At 1 July 2021	340,842	13,584	13,553	2,848	1,838	3,915	376,580
Additions	14	825	980	4	-	-	1,823
Disposal	-	(110)	(7)	-	(5)	-	(122)
At 30 June 2022	340,856	14,299	14,526	2,852	1,833	3,915	378,281
Accumulated depreciation							
At 1 July 2021	35,431	4,262	9,136	1,446	1,443	1,868	53,586
Charge for the financial year (Note 9)	6,061	4,439	1,515	115	270	163	12,563
Disposal	-	(110)	(6)	-	(5)	-	(121)
At 30 June 2022	41,492	8,591	10,645	1,561	1,708	2,031	66,028
Net carrying amount							
At 30 June 2022	299,364	5,708	3,881	1,291	125	1,884	312,253

	Office equipment	Furniture and fittings	Total
	RM'000	RM'000	RM'000
COMPANY			
At 30 June 2023			
Cost			
At 1 July 2022/30 June 2023	**258**	**172**	**430**
Accumulated depreciation			
At 1 July 2022	**256**	**170**	**426**
Charge for the financial year (Note 9)	**1**	**2**	**3**
At 30 June 2023	**257**	**172**	**429**
Net carrying amount			
At 30 June 2023	**1**	**-**	**1**

15. PROPERTY, PLANT AND EQUIPMENT *cont'd*

	Office equipment	Furniture and fittings	Total
	RM'000	RM'000	RM'000
COMPANY *cont'd*			
At 30 June 2022			
Cost			
At 1 July 2021/30 June 2022	258	172	430
Accumulated depreciation			
At 1 July 2021	254	167	421
Charge for the financial year (Note 9)	2	3	5
At 30 June 2022	256	170	426
Net carrying amount			
At 30 June 2022	2	2	4

During the financial year, the Group acquired property, plant and equipment with an aggregate cost of RM1,057,000 (2022: RM1,823,000). The cash outflow on acquisition of property, plant and equipment of the Group amounted to RM1,057,000 (2022: RM1,823,000).

(a) The net carrying amount of property, plant and equipment pledged for loans and borrowings as referred to in Note 33 are as follows:

	GROUP	
	2023	2022
	RM'000	RM'000
Freehold land and building	**291,351**	298,365

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15. PROPERTY, PLANT AND EQUIPMENT *cont'd*

(b) During the financial year, DC Hotel Sdn Bhd, an indirect wholly-owned subsidiary of the Company, carried out a review of the recoverable amount of its hotel building ("Hotel") as the economic performance of the Hotel fell below expectations. The recoverable amount of the Hotel of RM323,000,000 was determined based on its fair value less costs to sell. The fair value was determined based on valuation performed by an accredited independent valuer who specialises in valuing hotel buildings.

Description of valuation technique used and key inputs to determine the fair value of the Hotel:

		Range	
Valuation technique	**Significant unobservable inputs**	**2023**	**2022**
Income approach*	Gross operating profit	**31% to 36%**	15% to 31%
	Occupancy rate	**65% to 80%**	50% to 82%
	Capitalisation rate	**6.50%**	6.50%
	Discount rate	**8.50%**	8.50%
	Average monthly income	**RM5,102,644 to RM7,656,975**	RM2,344,979 to RM7,275,983

* *Discounted cash flow incorporates the estimation of future annual cash flows over an investment horizon (forecasted/projected period) from the valuation date by referencing to expected revenue growth rates, operating expenses and terminal value. The present value of future cash flow is then determined by the application of an appropriate discount rate to derive a net present value of the property as at the valuation date.*

16. LEASES

Group as a lessor

The Group has entered into leases on its property portfolio.

Group and Company as lessee

The Group and the Company have lease contracts for computer equipment, leasehold land and office premises used in its operations. Leases of computer equipment, leasehold land and office premises generally have lease term of 2 to 9 years (2022: 2 to 7 years).

The Group and the Company have several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's and the Company's business needs. Management exercises judgement in determining whether these extension and termination options are reasonably certain to be exercised.

The Group and the Company also have leases with lease terms of 12 months or less and leases of office equipment with low value. The Group and the Company apply the 'short-term leases' and 'lease of low-value assets' recognition exemptions for these leases.

16. LEASES *cont'd*

Group and Company as lessee *cont'd*

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the financial year:

	Computer equipment	Leasehold land	Office premises	Total
	RM'000	RM'000	RM'000	RM'000
GROUP				
At 30 June 2023				
Cost				
At 1 July 2022	**200**	**1,442**	**12,318**	**13,960**
Additions	**508**	**20**	**10,266**	**10,794**
Lease temination	**-**	**-**	**(56)**	**(56)**
Written off	**-**	**-**	**(412)**	**(412)**
At 30 June 2023	**708**	**1,462**	**22,116**	**24,286**
Accumulated depreciation				
At 1 July 2022	**(77)**	**(903)**	**(5,492)**	**(6,472)**
Depreciation (Note 9)	**(130)**	**(313)**	**(1,842)**	**(2,285)**
Lease temination	**-**	**-**	**28**	**28**
Written off	**-**	**-**	**412**	**412**
At 30 June 2023	**(207)**	**(1,216)**	**(6,894)**	**(8,317)**
Carrying amount	**501**	**246**	**15,222**	**15,969**
At 30 June 2022				
Cost				
At 1 July 2021	117	1,444	3,533	5,094
Additions	83	-	8,785	8,868
Adjustment	-	(2)	-	(2)
At 30 June 2022	200	1,442	12,318	13,960
Accumulated depreciation				
At 1 July 2021	(26)	(595)	(1,813)	(2,434)
Depreciation (Note 9)	(51)	(308)	(3,679)	(4,038)
At 30 June 2022	(77)	(903)	(5,492)	(6,472)
Carrying amount	123	539	6,826	7,488

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16. LEASES *cont'd*

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the financial year: *cont'd*

	Office premises RM'000
COMPANY	
At 30 June 2023	
Cost	
At 1 July 2022	**154**
Addition	**392**
Written off	**(271)**
At 30 June 2023	**275**
Accumulated depreciation	
At 1 July 2022	**(115)**
Depreciation (Note 9)	**(71)**
Written off	**271**
At 30 June 2023	**85**
Carrying amount	**360**
At 30 June 2022	
Cost	
At 1 July 2021	271
Written off	(115)
Adjustment	(2)
At 30 June 2022	154
Accumulated depreciation	
At 1 July 2021	(154)
Depreciation (Note 9)	(76)
Written off	115
At 30 June 2022	(115)
Carrying amount	39

16. LEASES *cont'd*

Set out below are the carrying amounts of lease liabilities and the movements during the financial year:

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**
At beginning of the financial year	**8,098**	2,217	**40**	118
Additions	**10,763**	7,916	**391**	-
Accretion of interest (Note 8)	**420**	447	**9**	2
Payment of				
- Principal	**(2,244)**	(2,035)	**(68)**	(78)
- Interest	**(420)**	(447)	**(9)**	(2)
Lease termination	**(30)**	-	**-**	-
At end of the financial year	**16,587**	8,098	**363**	40
Disclosed as:				
- Current	**1,977**	2,178	**59**	40
- Non-current	**14,610**	5,920	**304**	-
	16,587	8,098	**363**	40

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Maturities of lease liabilities:				
Not later than 1 year	**1,977**	2,178	**59**	40
Later than 1 year and not later than 5 years	**6,870**	5,920	**267**	-
More than 5 years	**7,740**	-	**37**	-
	16,587	8,098	**363**	40

The Group and the Company had total cash outflows for leases of RM2,664,000 (2022: RM2,482,000) and RM77,000 (2022: RM80,000) respectively.

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17. INVESTMENT PROPERTIES

Movements in the investment properties are as follows:

	GROUP	
	2023	2022
	RM'000	RM'000
At beginning of the financial year	**276,063**	274,063
Additions	**5**	3,440
Net gain/(loss) on fair value adjustments (Note 6)	**5,595**	(1,440)
At end of the financial year	**281,663**	276,063
Comprising:		
At valuation:		
Completed investment properties:		
- Leasehold land and building	**4,500**	4,500
- Freehold land and buildings	**277,163**	271,563
At end of the financial year	**281,663**	276,063

The investment properties are stated at fair value of which have been determined based on valuation reports by accredited independent valuers as at reporting date. The fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value hierarchy disclosures for investment properties are disclosed in Note 38.

The net carrying amounts of investment properties charged to financial institutions as collaterals for credit facilities granted to the Group as disclosed in Note 33 are as follows:

	GROUP	
	2023	2022
	RM'000	RM'000
Freehold land and buildings	**277,163**	271,563

18. INVESTMENTS IN SUBSIDIARIES

	COMPANY	
	2023	2022
	RM'000	RM'000
Unquoted shares, at cost	**1,312,124**	1,361,456
Less: Accumulated impairment losses	**(79,668)**	(164,886)
	1,232,456	1,196,570

18. INVESTMENTS IN SUBSIDIARIES *cont'd*

Details of the subsidiaries are disclosed in Note 39.

The change of allowance for impairment in respect of investments in subsidiaries during the financial year is as follows:

	COMPANY	
	2023	**2022**
	RM'000	**RM'000**
At beginning of the financial year	**164,886**	161,924
Add: Allowance for impairment (Note 6)	**5,173**	2,962
Less: Written off	**(90,391)**	-
At end of the financial year	**79,668**	164,886

(i) Subscription of ordinary shares, redemption of RPS and/or capital reduction

During the financial year, the Company completed the following transactions involving ordinary shares and/or RPS:

a) Subscription of 56,516,000 ordinary shares in GLM Real Estate Holdings Sdn Bhd for a total consideration of RM56,516,000.

b) Subscription of 27,355,000 ordinary shares in GLM Emerald Square (Cheras) Sdn Bhd for a total consideration of RM27,355,000.

c) Redemption of 17,400 RPS in GLM Real Estate Holdings Sdn Bhd amounting to RM17,400,000.

d) Redemption of 4,500,000 RPS in Titan Debut Sdn Bhd amounting to RM4,500,000.

e) Capital reduction exercise to reduce its investment in a subsidiary, GuocoLand Development Sdn Bhd, by cancelling 360,000 ordinary shares amounting to RM20,860,000.

In the previous financial year, the Company completed the following transactions involving ordinary shares and/or RPS:

a) Subscription of 60,934,162 ordinary shares in GLM Real Estate Holdings Sdn Bhd for a total consideration of RM60,934,162.

b) Subscription of 13,018,300 ordinary shares in GLM Emerald Square (Cheras) Sdn Bhd for a total consideration of RM13,018,300.

c) Subscription of 88,150,000 ordinary shares in PJ Corporate Park Sdn Bhd for a total consideration of RM88,150,000.

d) Capital reduction exercise to reduce its investment in a subsidiary, GuocoLand Development Sdn Bhd, by cancelling 8,498,790 ordinary shares and 7,128 RPS amounting to RM15,626,790.

e) Capital reduction exercise to reduce its investment in a subsidiary, Guoman Hotel & Resort Holdings Sdn Bhd, by cancelling 160,375,250 ordinary shares amounting to RM160,375,250 with a gain on capital reduction of RM1,791,000.

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18. INVESTMENTS IN SUBSIDIARIES *cont'd*

(ii) Winding up of a subsidiary

During the financial year, Astute Modernization Sdn Bhd, a wholly-owned subsidiary of the Company, had been dissolved by member's voluntary liquidation.

None of the subsidiaries with non-controlling interests are material to the Group. Accordingly, the disclosure requirements of MFRS 12 Disclosure of Interests In Other Entities are not presented.

19. INVESTMENTS IN ASSOCIATES

	GROUP		COMPANY	
	2023	2022	**2023**	2022
	RM'000	RM'000	**RM'000**	RM'000
Quoted shares in Malaysia, at cost	**64,890**	64,890	**-**	-
Unquoted shares in Malaysia, at cost	**56,000**	56,000	**56,000**	56,000
Unquoted shares outside Malaysia, at cost	**-**	6	**-**	-
Less: Accumulated impairment losses	**-**	(6)	**-**	-
	120,890	120,890	**56,000**	56,000
Share of post acquisition reserves	**69,875**	75,456	**-**	-
Unrealised profit arising from transactions with associates	**(1,203)**	(822)	**-**	-
Share of post acquisition translation reserve	**-**	(295)	**-**	-
Others	**285**	-	**-**	-
	189,847	195,229	**56,000**	56,000
Represented by:				
Share of net assets of associates	**189,847**	195,229	**N/A**	N/A
Market value of quoted shares	**25,219**	27,042	**N/A**	N/A

The Group received a total income distribution of RM583,000 (2022: RM1,434,000) from Tower Real Estate Investment Trust during the financial year.

19. INVESTMENTS IN ASSOCIATES *cont'd*

Details of the associates are as follows:

Name of the Company	Country of incorporation	Effective equity interest 2023 %	Effective equity interest 2022 %	Principal activities
^ Luck Hock Venture Holdings, Inc.	Philippines	-	28	Dissolved
^ Tower Real Estate Investment Trust ("Tower REIT")	Malaysia	**22**	22	Investment in real estate and real estate-related assets
GLM Emerald (Sepang) Sdn Bhd ("GLMES")	Malaysia	**40**	40	Property development and operation of an oil palm estate

^ *Not audited by member firms of Ernst & Young Global.*

The Group has carried out a review on the recoverable amount of the investment in Tower REIT. The recoverable amount is determined based on value-in-use calculation using cash flow projections of future dividend income and the proceeds from the ultimate disposal of the investment.

The key assumptions used in the value-in-use calculation are as follows:

(i) Growth rates

Future dividend income is estimated based on projected dividends receivable per annum over the next 3 years and thereafter, grow at a steady rate of 4.00% (2022: 5.75%) per annum in perpetuity. The growth rates used are based on the average projected growth rates of real-estate industry for the coming 4 years.

(ii) Discount rate

Discount rate used is 8.50% (2022: 6.70%). This rate is post-tax and reflects specific risks relating to the investment.

Based on the value-in-use calculation, management believes that the carrying amount of the investment in Tower REIT is fully recoverable.

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19. INVESTMENTS IN ASSOCIATES *cont'd*

The Group's interest in the assets, liabilities, revenue and (loss)/profit of associates are as follows:

	GROUP	
	2023	2022
	RM'000	RM'000
Assets and liabilities		
Non-current assets	**248,444**	251,657
Current assets	**13,631**	19,242
Total assets	**262,075**	270,899
Non-current liabilities	**(62,096)**	(61,869)
Current liabilities	**(10,132)**	(13,801)
Total liabilities	**(72,228)**	(75,670)
Results		
Revenue	**11,840**	18,744
(Loss)/profit before tax	**(4,896)**	5,503
(Loss)/profit after tax, representing total comprehensive (loss)/income	**(4,703)**	4,513

The Group has recorded elimination of intragroup transactions of RM96,000 (2022: RM591,000) during the financial year.

Summarised financial information in respect of each of the Group's material associates is set out below. The summarised financial information represents the amounts in the financial statements of the associates and not the Group's share of those amounts.

(i) Summarised statement of financial position

	Tower REIT		GLMES		Total	
	2023	2022	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Non-current assets	**805,163**	824,699	**185,115**	182,569	**990,278**	1,007,268
Current assets	**3,071**	2,378	**33,128**	46,817	**36,199**	49,195
Total assets	**808,234**	827,077	**218,243**	229,386	**1,026,477**	1,056,463
Non-current liabilities	**(286,687)**	(285,638)	**-**	-	**(286,687)**	(285,638)
Current liabilities	**(20,476)**	(20,076)	**(14,244)**	(23,632)	**(34,720)**	(43,708)
Total liabilities	**(307,163)**	(305,714)	**(14,244)**	(23,632)	**(321,407)**	(329,346)
Net assets	**501,071**	521,363	**203,999**	205,754	**705,070**	727,117

19. INVESTMENTS IN ASSOCIATES *cont'd*

Summarised financial information in respect of each of the Group's material associates is set out below. The summarised financial information represents the amounts in the financial statements of the associates and not the Group's share of those amounts. *cont'd*

(ii) Summarised statement of comprehensive income

	Tower REIT		GLMES		Total	
	2023	2022	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	**33,871**	32,608	**11,260**	29,204	**45,131**	61,812
(Loss)/profit before tax	**(19,753)**	7,211	**(835)**	9,852	**(20,588)**	17,063
(Loss)/profit for the financial year, representing total comprehensive (loss)/income	**(17,600)**	7,193	**(1,515)**	7,388	**(19,115)**	14,581

(iii) Reconciliation of the summarised financial information presented above to the carrying amount of the Group's interest in associates

	Tower REIT		GLMES		Total	
	2023	2022	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Net assets at beginning of the financial year	**521,363**	522,106	**205,754**	199,130	**727,117**	721,236
(Loss)/profit for the financial year	**(17,600)**	7,193	**(1,515)**	7,388	**(19,115)**	14,581
Dividend paid during the financial year	**(2,692)**	(6,620)	**-**	-	**(2,692)**	(6,620)
Intra-group transactions elimination	**(1,315)**	(1,316)	**(240)**	(764)	**(1,555)**	(2,080)
Net assets at end of the financial year	**499,756**	521,363	**203,999**	205,754	**703,755**	727,117
Interest in associates as at year end	**21.66%**	21.66%	**40.00%**	40.00%		
Carrying value of Group's interest in associates	**108,248**	112,928	**81,599**	82,301	**189,847**	195,229

There is no share of capital commitment and contingent liability of the associates of the Group as at the reporting date.

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20. INVESTMENTS IN JOINT VENTURES

	GROUP	
	2023	2022
	RM'000	RM'000
Unquoted shares in Malaysia, at cost	**61,881**	75,872
Share of post acquisition reserves	**79,707**	67,931
Unrealised profit arising from transactions with joint ventures	**(6,110)**	(7,275)
	135,478	136,528

During the financial year:

(i) The Group received a total dividend of RM3,509,000 (2022: RM Nil) from GLM Emerald (Rawang) Sdn Bhd; and

(ii) GLM Emerald (Rawang) Sdn Bhd had redeemed 13,990,537 CRPS amounting to RM13,990,537 from the Group.

Name of the Company	Country of incorporation	Effective equity interest 2023 %	Effective equity interest 2022 %	Principal activity
^ GLM Emerald (Rawang) Sdn Bhd and its subsidiaries:	Malaysia	**50**	50	Investment holding
GLM Emerald West (Rawang) Sdn Bhd("GEWR")	Malaysia	**50**	50	Property development
^ GLM Emerald East (Rawang) Sdn Bhd	Malaysia	**50**	50	Property development

^ *Not audited by member firms of Ernst & Young Global.*

The Group's interest in the assets, liabilities, revenue and expenses of joint ventures are as follows:

	GROUP	
	2023	2022
	RM'000	RM'000
Assets and liabilities		
Non-current assets	**97,105**	104,940
Current assets	**77,523**	72,401
Total assets	**174,628**	177,341
Current liabilities	**(39,150)**	(40,813)
Total liabilities	**(39,150)**	(40,813)
Results		
Revenue	**78,045**	81,437
Expenses, including finance costs and income tax expense	**(59,284)**	(63,079)
Profit after tax, representing total comprehensive income	**15,285**	15,821

20. INVESTMENTS IN JOINT VENTURES *cont'd*

The Group has recorded elimination of intragroup transactions of RM1,165,000 (2022: RM4,087,000) during the financial year.

Summarised financial information in respect of each of the Group's material joint venture is set out below. The summarised financial information represents the amounts in the financial statement of the joint venture and not the Group's share of those amounts.

(i) Summarised statement of financial position

	GEWR	
	2023	**2022**
	RM'000	**RM'000**
Non-current assets	**181,964**	197,700
Current assets	**184,263**	132,714
Total assets	**366,227**	330,414
Current liabilities	**(69,560)**	(66,227)
Total liabilities	**(69,560)**	(66,227)
Net assets	**296,667**	264,187

(ii) Summarised statement of comprehensive income

	GEWR	
	2023	**2022**
	RM'000	**RM'000**
Revenue	**152,370**	161,239
Profit before tax	**36,958**	35,962
Profit for the financial year, representing total comprehensive income	**30,149**	30,978

(iii) Reconciliation of the summarised financial information presented above to the carrying amount of the Group's interest in joint ventures

	GEWR	
	2023	**2022**
	RM'000	**RM'000**
Net assets at beginning of the financial year	**264,187**	241,436
Profit for the financial year	**30,149**	30,978
Intra-group transactions elimination	**2,331**	(8,227)
Net assets at end of the financial year	**296,667**	264,187
Interest in joint venture as at year end	**50%**	50%
Carrying value of Group's interest in joint venture	**148,334**	132,094

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20. INVESTMENTS IN JOINT VENTURES *cont'd*

Aggregate information of joint ventures that are individually not material are as follows:

	2023 RM'000	2022 RM'000
The Group's share of profit before tax	**283**	377
The Group's share of profit after tax, representing total comprehensive income	**211**	332

There is no share of capital commitment and contingent liability of the joint ventures of the Group as at the reporting date.

21. GOODWILL

	GROUP	
	2023 RM'000	2022 RM'000
At beginning of the financial year	**4,357**	4,816
Realisation during the financial year (Note 6)	**(459)**	(459)
At end of the financial year	**3,898**	4,357

On 26 October 2007, the Group had acquired 100% interest in Titan Debut Sdn Bhd. The acquisition was accounted for as a business combination in accordance with MFRS 3 Business Combination. Accordingly, paragraph 15(b)(i) of MFRS 112 Income Taxes requires deferred tax liability to be recognised for all taxable temporary differences arising from initial recognition of an asset or liability in a transaction which is a business combination. Such temporary differences arose from the differences between the fair value of assets and liabilities acquired in a business combination and their respective tax bases. Accordingly, the acquisition of the said subsidiary had resulted in the recognition of deferred tax liability amounting to RM17,732,000 with the corresponding debit being recognised as additional goodwill. Consequently, to the extent that such deferred tax liability is reversed, the corresponding goodwill will also be realised.

During the financial year, the Group recognised such realisation of goodwill amounting to RM459,000 (2022: RM459,000) due to the reversal of the deferred tax liability relating to the property inventories sold during the financial year.

22. DEFERRED TAX

	GROUP	
	2023 RM'000	2022 RM'000
At beginning of the financial year	**2,638**	(2,043)
Recognised in the profit or loss (Note 12)	**(2,690)**	4,681
At end of the financial year	**(52)**	2,638

22. DEFERRED TAX *cont'd*

Presented after appropriate offsetting as follows:

	GROUP	
	2023	2022
	RM'000	RM'000
Deferred tax assets	**(15,012)**	(14,229)
Deferred tax liabilities	**14,960**	16,867
	(52)	2,638

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

Deferred tax liabilities of the Group

	Contract assets	Contract cost assets	Right-of-use assets	Inventories	Investment properties	Accelerated capital allowances	Others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 July 2021	515	7,315	2,643	11,171	4,736	5,381	33	31,794
Recognised in the profit or loss	(515)	1,995	(839)	1,158	(52)	222	(33)	1,936
At 30 June 2022/1 July 2022	-	9,310	1,804	12,329	4,684	5,603	-	33,730
Recognised in the profit or loss	-	(3,193)	2,072	(2,462)	186	28	(12)	(3,381)
At 30 June 2023	**-**	**6,117**	**3,876**	**9,867**	**4,870**	**5,631**	**(12)**	**30,349**

Deferred tax assets of the Group

	Contract assets	Provision	Unused tax losses and unabsorbed capital allowances	Property development costs	Contract liabilities	Lease liabilities	Other deductible temporary differences	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 July 2021	-	(1,256)	(10,654)	(2,492)	(16,620)	(2,732)	(83)	(33,837)
Recognised in the profit or loss	(1,056)	177	4,159	35	(752)	781	(599)	2,745
At 30 June 2022/ 1 July 2022	(1,056)	(1,079)	(6,495)	(2,457)	(17,372)	(1,951)	(682)	(31,092)
Recognised in the profit or loss	-	(1,683)	(465)	818	4,318	(2,078)	(219)	691
At 30 June 2023	**(1,056)**	**(2,762)**	**(6,960)**	**(1,639)**	**(13,054)**	**(4,029)**	**(901)**	**(30,401)**

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22. DEFERRED TAX *cont'd*

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

	GROUP	
	2023	2022
	RM'000	RM'000
Unused tax losses	**229,692**	218,936
Unabsorbed capital allowances	**79,041**	73,389
Others	**148,047**	151,040
	456,780	443,365

Tax losses for which the tax effects have not been recognised in the financial statements:

	GROUP	
	2023	2022
	RM'000	RM'000
Expiry analysis		
Unused tax losses:		
- Expiring in 2028	**90,062**	91,878
- Expiring in 2029	**16,322**	14,506
- Expiring in 2030	**40,521**	40,622
- Expiring in 2031	**45,711**	46,871
- Expiring in 2032	**25,653**	25,059
- Expiring in 2033	**11,423**	-
	229,692	218,936

Deferred tax assets have not been recognised in respect of these items for certain subsidiaries as it is not probable that taxable profits of the subsidiaries would be available against which the unused tax losses, unabsorbed capital allowances and other deductible temporary differences could be utilised.

The unutilised capital allowances of the Group are available indefinitely for offsetting against future taxable profits of the respective entities within the Group, subject to no substantial changes in shareholdings of those entities under the Income Tax Act, 1967 and guidelines issued by the tax authority.

On the other hand, the Malaysia Finance Act gazetted on 27 December 2018 has imposed a time limitation to restrict the carry forward of the unutilised tax losses for Malaysian entities. Based on the latest Malaysian Finance Act gazetted on 31 December 2021, the time limit for the carry forward of the unutilised tax losses has been extended from 7 years to 10 years.

As a result of this change, the unutilised tax losses accumulated up to the year of assessment 2018 are allowed to be carried forward for 10 consecutive years of assessment (i.e. years of assessment 2019 to 2028) and any balance of the unutilised losses thereafter shall be disregarded.

22. DEFERRED TAX *cont'd*

However, for any unutilised tax losses that originated from the year of assessment 2019 onwards, these are allowed to be carried forward for a maximum period of 10 consecutive years of assessment immediately following that originating year of assessment and any balance of the unutilised tax losses thereafter shall be disregarded.

23. INVENTORIES

	GROUP	
	2023	**2022**
	RM'000	**RM'000**
Non-current		
Land held for property development (Note 23(a))	**103,493**	109,488
Current		
Completed development properties	**322,739**	379,581
Consumable stores and spares	**1,114**	1,158
Property development costs (Note 23(b))	**399,167**	386,437
Land held for sale (Note 23(c))	**45,421**	45,421
	768,441	812,597
Total inventories	**871,934**	922,085

Included in total inventories of the Group are inventories carried at the lower of cost and net realisable value amounting to RM49,119,000 (2022: RM14,220,000).

The cost of property inventories of the Group recognised as cost of sales during the financial year amounted to RM55,974,000 (2022: RM34,870,000) as disclosed in Note 5.

As at the reporting date, the carrying amount of completed development properties of RM274,564,000 (2022: RM327,038,000) have been pledged as securities for the borrowing facilities granted to the Group as disclosed in Note 33.

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23. INVENTORIES *cont'd*

(a) Land held for property development

	GROUP	
	2023	2022
	RM'000	RM'000
Cost		
At beginning of the financial year	**110,246**	151,581
Disposal (Note 5)	**(5,995)**	-
Transfer to land held for sale (Note 23(c))	**-**	(45,421)
Transfer from property development costs (Note 23(b))	**-**	4,086
At end of the financial year	**104,251**	110,246
Accumulated write down		
At beginning/end of the financial year	**(758)**	(758)
Carrying amount	**103,493**	109,488

(b) Property development costs

	GROUP	
	2023	2022
	RM'000	RM'000
Cost		
At beginning of the financial year	**386,437**	383,991
Development costs incurred during the financial year	**84,715**	63,784
Transfers to:		
Contract cost assets (Note 26)	**(71,985)**	(57,252)
Land held for property development (Note 23(a))	**-**	(4,086)
At end of the financial year	**399,167**	386,437

During the financial year, the finance costs and management fees capitalised into property development costs of the Group amounted to RM1,569,000 (2022: RM2,621,438) and RM1,603,399 (2022: RM1,801,210) respectively.

As at the reporting date, the carrying amounts of property development costs pledged as securities for the borrowing facilities granted to the Group as disclosed in Note 33 amounted to RM325,418,000 (2022: RM312,800,000).

23. INVENTORIES *cont'd*

(c) Land held for sale

	GROUP	
	2023	2022
	RM'000	RM'000
Cost		
At beginning of the financial year	**45,421**	-
Transfer from land held for property development (Note 23(a))	**-**	45,421
At end of the financial year	**45,421**	45,421

24. TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Non-current				
Amounts due from subsidiaries	**-**	-	**32,014**	30,736
Current				
Trade receivables	**71,778**	53,334	**-**	-
Less: Allowance for impairment	**(2,197)**	(2,093)	**-**	-
	69,581	51,241	**-**	-
Other receivables	**5,352**	3,184	**-**	50
Less: Allowance for impairment	**(1,787)**	(1,787)	**-**	-
	3,565	1,397	**-**	50
Deposits	**9,046**	7,276	**32**	32
Less: Allowance for impairment	**(387)**	(387)	**-**	-
	8,659	6,889	**32**	32
Amounts due from subsidiaries	**-**	-	**44,532**	22,619
Amounts due from related companies	**34**	68	**-**	-
Amounts due from associates	**407**	384	**-**	-
Amounts due from joint ventures	**665**	1,237	**-**	-
	1,106	1,689	**44,532**	22,619
	82,911	61,216	**44,564**	22,701
Total trade and other receivables	**82,911**	61,216	**76,578**	53,437

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24. TRADE AND OTHER RECEIVABLES *cont'd*

	GROUP		COMPANY	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Total trade and other receivables	**82,911**	61,216	**76,578**	53,437
Less: Goods and Services Tax ("GST") receivable	**(9)**	(22)	**-**	(12)
Add: Cash and bank balances (Note 29)	**169,207**	103,309	**44,881**	13,101
Total financial assets at amortised cost (debt instruments)	**252,109**	164,503	**121,459**	66,526

Trade receivables are non-interest bearing and are generally on 7 to 90 days (2022: 7 to 90 days) term. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Amounts due from related companies, associates and joint ventures are unsecured, non-interest bearing and repayable on demand.

Amounts due from subsidiaries are unsecured, repayable on demand and bore interest at rates ranging 3.57% to 4.45% (2022: 3.07% to 3.33%) per annum.

The management of the Group monitors the cash flows and funding requirements of the Company and its subsidiaries on a Group-wide basis. This includes determining the timing and quantum of the repayment of amounts due from and due to subsidiaries and related companies of the Company when required.

As at 30 June 2023 and 30 June 2022, no demand for repayment has been made by the Company for any of the balances due from the subsidiaries or holding company. Considering the nature and terms of these balances, the Company has assessed that there are no amounts which are regarded as past due and no ageing analysis has been presented for these balances.

There is no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors except for the amounts due from subsidiaries in respect of the Company, with the amount of maximum credit risk exposure equivalent to the respective debtors' carrying amounts as at the reporting date.

The ageing analysis of the Group's trade receivables is as follows:

	Nominal amounts 2023	Allowance for impairment 2023	Nominal amounts 2022	Allowance for impairment 2022
	RM'000	RM'000	RM'000	RM'000
GROUP				
Not past due	**60,154**	**-**	46,370	-
Past due 1 to 30 days	**1,065**	**-**	720	-
Past due 31 to 90 days	**4,550**	**-**	1,250	-
More than 90 days past due	**6,009**	**(2,197)**	4,994	(2,093)
	71,778	**(2,197)**	53,334	(2,093)

24. TRADE AND OTHER RECEIVABLES *cont'd*

Generally, the Group does not renegotiate the terms of trade receivables. There were no renegotiated balances outstanding as at financial year end. Due to the good credit standing of the trade receivables and based on historical default rates, the Group believes that generally no further allowance for impairment is necessary in respect of trade receivables that are past due.

The Group's trade receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	GROUP	
	2023	**2022**
	RM'000	**RM'000**
Trade receivables - nominal amounts	**2,197**	2,093
Less: Allowance for impairment	**(2,197)**	(2,093)
Net impaired trade receivable	**-**	-

The change of allowance for impairment in respect of trade receivables during the financial year is as follows:

	GROUP	
	2023	**2022**
	RM'000	**RM'000**
At beginning of the financial year	**2,093**	4,085
Add: Allowance for impairment (Note 6)	**108**	-
Less: Reversal of impairment (Note 6)	**(4)**	(1,992)
At end of the financial year	**2,197**	2,093

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

The change of allowance for impairment in respect of other receivables during the financial year is as follows:

	GROUP	
	2023	**2022**
	RM'000	**RM'000**
At beginning of the financial year	**2,174**	2,074
Add: Allowance for impairment (Note 6)	**-**	100
At end of the financial year	**2,174**	2,174

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25. CONTRACT ASSETS

	GROUP	
	2023	2022
	RM'000	RM'000
Current		
Accrued billings in respect of sales of development properties, representing total contract asset	**124,375**	244,153

The management monitors the movement of the contracts assets balance and there is no balance which is assessed as past due or is to be impaired. Consequently, no ageing analysis has been presented for this balance.

26. CONTRACT COST ASSETS

	GROUP	
	2023	2022
	RM'000	RM'000
Contract cost assets		
Costs to fulfill a contract	**33,887**	37,371
Costs to obtain contracts with customers	**11,595**	10,842
	45,482	48,213
Costs to fulfill a contract		
At beginning of the financial year	**37,371**	49,978
Additions	**102,875**	165,058
Transfer from inventories (Note 23(b))	**71,985**	57,252
Amortisation for the financial year (Note 5)	**(178,344)**	(234,917)
At end of the financial year	**33,887**	37,371
Costs to obtain contracts with customers		
At beginning of the financial year	**10,842**	12,295
Additions	**10,832**	8,945
Amortisation for the financial year (Note 5)	**(10,079)**	(10,398)
At end of the financial year	**11,595**	10,842

Management fee capitalised during the financial year under contract cost assets amounted to RM803,196 (2022: RM500,391).

As at the reporting date, the carrying amounts of costs to fulfill a contract pledged as securities for the borrowing facilities granted to the Group as disclosed in Note 33 amounted to RM33,887,000 (2022: RM37,371,000).

27. OTHER NON-CURRENT AND CURRENT ASSETS

	GROUP	
	2023	2022
	RM'000	RM'000
Non-current		
Prepayments	**3,333**	3,500
Current		
Prepayments	**3,318**	5,929

28. BIOLOGICAL ASSETS

	GROUP	
	2023	2022
	RM'000	RM'000
At fair value		
Fresh fruit bunches		
At beginning of the financial year	**516**	135
Changes in fair value less costs to sell (Note 6)	**(247)**	381
At end of the financial year	**269**	516

The biological assets of the Group comprise fresh fruit bunches ("FFB") prior to harvest. The valuation model adopted by the Group considers the present value of the net cash flows expected to be generated from the sale of FFB. To arrive at the fair value, the management has considered the oil content of the unripe FFB and derived the assumption that the net cash flows to be generated from FFB prior to more than 15 days to harvest is negligible, therefore quantity of unripe FFB on bearer plant of up to 15 days to harvest was used for valuation purpose. The value of the unripe FFB was estimated to be approximately 80% of the ripe FFB, based on actual oil extraction rate and kernel extraction rate of the unripe FFB from the laboratory tests. Costs to sell include harvesting cost, transport and windfall profit levy.

During the financial year, the Group harvested approximately 11,691 tonnes (2022: 12,174 tonnes) of FFB.

As at 30 June 2023, none of the biological assets are pledged as securities for liabilities.

The fair value measurement of the Group's biological assets are categorised within Level 3 of the fair value hierarchy. If the FFB selling price changes by 10%, profit or loss for the Group would have equally increased or decreased by approximately RM26,900 (2022: RM51,600).

There were no transfers between all three (3) levels of the fair value hierarchy during the financial year.

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29. CASH AND BANK BALANCES

	GROUP		COMPANY	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Deposits with licensed banks	**105,671**	72,749	**44,650**	12,690
Cash in hand and at banks	**63,536**	30,560	**231**	411
Cash and bank balances (Notes 24 and 40)	**169,207**	103,309	**44,881**	13,101
Of which the balances of amounts placed with a related company, which is a licensed financial institution, are as follows:				
- deposits	**90,865**	38,220	**44,250**	1,600
- bank balances	**11,543**	17,865	**192**	286

For the purpose of statements of cash flows:

	GROUP		COMPANY	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Cash and bank balances	**169,207**	103,309	**44,881**	13,101
Less:				
- Cash and bank balances not available for use	**(14,647)**	(2,579)	**(400)**	(390)
Total cash and cash equivalents	**154,560**	100,730	**44,481**	12,711

Cash and bank balances of the Group include RM36,911,186 (2022: RM10,292,069) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966 and are restricted from use in other operations.

The effective interest rates of deposits placed with licensed banks of the Group and of the Company as at the reporting date range from 2.15% to 3.60% (2022: 1.30% to 3.00%) per annum and 2.90% to 3.05% (2022: 2.30% to 3.00%) per annum respectively.

The maturities of deposits placed with licensed banks of the Group and of the Company as at the reporting date range from 1 to 365 days (2022: 1 to 365 days) and from 6 to 94 days (2022: 7 to 94 days) respectively.

Cash and bank balances not available for use of the Group and of the Company are:

(i) Deposits of the Group and of the Company amounting to RM600,070 (2022: RM587,243) and RM399,809 (2022: RM390,000) respectively which are pledged as securities for bank guarantees granted to the Group and to the Company; and

(ii) Placements of debt service reserve and escrow accounts of the Group amounting to RM14,047,085 (2022: RM1,991,788) which are pledged as securities for loans and borrowings granted to the Group.

30. SHARE CAPITAL

	GROUP/COMPANY			
	Ordinary shares			
	2023	2022	2023	2022
	Number of shares '000	Number of shares '000	Amount RM'000	Amount RM'000
Issued and fully paid				
At beginning/end of the financial year	**700,459**	700,459	**385,318**	385,318

31. RESERVES

		GROUP		COMPANY	
		2023	2022	2023	2022
	Note	RM'000	RM'000	RM'000	RM'000
Non-distributable:					
Exchange reserve	(a)	**106**	106	**-**	-
Merger reserve	(b)	**(24,028)**	(24,028)	**68,219**	68,219
Other reserve		**27**	27	**-**	-
		(23,895)	(23,895)	**68,219**	68,219
Distributable:					
Retained profits	(c)	**1,000,296**	979,088	**769,221**	726,227
		976,401	955,193	**837,440**	794,446

(a) Exchange reserve

Exchange differences arising on translation of financial statements of subsidiaries whose functional currencies are different from that of the Group's presentation currency are taken into exchange reserve.

(b) Merger reserve

The merger reserve of the Group arose as a result of business combinations involving entities under common control accounted for by applying the merger method of accounting. The negative merger reserve as at the reporting date represents the excess of the consideration paid over the share capital and capital reserves of the subsidiaries as at the acquisition date.

The merger reserve of the Company represents the premium arising on the shares issued in respect of the subsidiaries accounted for under the merger method of accounting which was credited to the merger reserve.

(c) Retained profits

The Company may distribute dividend out of its entire retained profits as at 30 June 2023 under the single tier system.

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32. SHARES HELD BY ESS TRUST

In the previous financial years, the Company established a trust ("ESS Trust") for its eligible executives pursuant to the establishment of the executive share schemes ("ESS").

The ESS Trust is administered by an appointed trustee. The trustee will be entitled from time to time to accept financial assistance from the Company, its subsidiaries or a third party upon such terms and conditions as the Company and the trustee may agree to purchase shares in the Company from the open market for the purposes of this trust. The shares purchased for the benefit of the ESS holders are recorded as "Shares held by ESS Trust" in the Group's and the Company's statements of financial position as a deduction in arriving at the shareholders' equity.

Details of the shares acquired during the previous financial years are as follows:

	Share price			Number of shares	Total
	Lowest	Highest	Average		
	RM	RM	RM	'000	RM'000
At 1 July 2022/30 June 2023	**0.62**	**1.72**	**0.78**	**30,578**	**23,883**

33. LOANS AND BORROWINGS

	GROUP		COMPANY	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Non-current				
Term loans - secured	**344,842**	418,697	**-**	-
Less: Unamortised borrowing costs	**(1,007)**	(298)	**-**	-
	343,835	418,399	**-**	-
Current				
Revolving credits - secured	**19,031**	26,600	**-**	-
Revolving credits - unsecured	**210,300**	142,000	**210,300**	142,000
Term loans - secured	**29,768**	151,747	**-**	-
Less: Unamortised borrowing costs	**(677)**	(579)	**-**	-
	258,422	319,768	**210,300**	142,000
Total loans and borrowings (Note 34 and Note 40)	**602,257**	738,167	**210,300**	142,000
Unamortised borrowing costs				
At beginning of the financial year	**(877)**	(2,269)	**-**	-
Incurred during the financial year	**(1,393)**	-	**-**	-
Amortisation for the financial year (Note 8)	**586**	1,392	**-**	-
At end of the financial year	**(1,684)**	(877)	**-**	-

33. LOANS AND BORROWINGS *cont'd*

Changes in liabilities arising from financing activities

	GROUP		COMPANY	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
At beginning of the financial year	**738,167**	758,311	**142,000**	82,500
Drawdown of borrowings	**168,388**	503,491	**114,900**	274,500
Repayment of borrowings	**(303,491)**	(525,027)	**(46,600)**	(215,000)
Others	**(807)**	1,392	**-**	-
At end of the financial year	**602,257**	738,167	**210,300**	142,000

The maturity of loans and borrowings are as follows:

	GROUP		COMPANY	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
On demand or within 1 year	**259,099**	320,347	**210,300**	142,000
More than 1 year but less than 2 years	**68,442**	103,154	**-**	-
More than 2 years but less than 5 years	**71,027**	98,915	**-**	-
More than 5 years	**205,373**	216,628	**-**	-
Less: Unamortised borrowing costs	**(1,684)**	(877)	**-**	-
	602,257	738,167	**210,300**	142,000

The range of interest rates per annum at the reporting date for borrowings were as follows:

	GROUP	
	2023	2022
	%	%
Revolving credits (secured)	**3.54 - 4.67**	3.29 - 3.89
Term loans	**3.54 - 5.35**	3.19 - 4.14

The revolving credits and term loans of the Group are secured by legal charges on certain assets of the Group as follows:

(i) fixed and floating charges over property, plant and equipment as disclosed in Note 15;
(ii) fixed and floating charges over certain investment properties as disclosed in Note 17;
(iii) fixed and floating charges over certain inventories as disclosed in Note 23; and
(iv) fixed and floating charges over certain contract cost assets as disclosed in Note 26.

Two of the revolving credits (unsecured) of the Company are obtained by a negative pledge over all assets of the Company. The remaining revolving credits are in clean basis. The revolving credits of the Group and of the Company bore effective interest at rates ranging from 2.90% to 5.00% (2022: 2.61% to 5.90%) and 2.90% to 5.00% (2022: 2.61% to 5.90%) respectively per annum.

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34. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Non-current				
Other payables	**1,505**	648	**-**	-
Current				
Trade payables	**63,011**	55,652	**-**	-
Amounts due to related companies	**63**	4,009	**-**	-
Amount due to an associate	**-**	137	**-**	-
Amounts due to subsidiaries	**-**	-	**-**	21,141
Provision for foreseeable loss	**4,542**	6,170	**-**	-
Accrual for further costs	**1,431**	6,362	**-**	-
Retention sum	**33,469**	33,007	**-**	-
Accrued operating expenses	**52,302**	37,992	**1,008**	764
Deposits received	**4,671**	4,775	**-**	-
Other payables	**21,609**	20,504	**64**	34
	181,098	168,608	**1,072**	21,939
Total trade and other payables	**182,603**	169,256	**1,072**	21,939
Total trade and other payables	**182,603**	169,256	**1,072**	21,939
Less: Provision for foreseeable loss	**(4,542)**	(6,170)	**-**	-
Less: GST payable	**(9)**	(21)	**-**	-
Add: Loans and borrowings (Note 33)	**602,257**	738,167	**210,300**	142,000
Total financial liabilities carried at amortised cost	**780,309**	901,232	**211,372**	163,939

The normal credit terms granted by the trade payables range from 30 to 60 days (2022: 30 to 60 days).

Amounts due to related companies, an associate and subsidiaries are unsecured, non-interest bearing and repayable on demand.

34. TRADE AND OTHER PAYABLES *cont'd*

The movements in provision for foreseeable loss are as follows:

	GROUP	
	2023	**2022**
	RM'000	**RM'000**
At beginning of the financial year	**6,170**	6,083
Provision during the financial year (Note 6)	**-**	87
Utilised during the financial year	**(1,628)**	-
At end of the financial year	**4,542**	6,170

Provision made is in respect of foreseeable losses for certain property development activities undertaken by the subsidiaries of the Group. A provision is recognised for expected losses from the development of low cost units, deterioration of market value or undesirable condition of land which will increase future development costs.

35. CONTRACT LIABILITIES

	GROUP	
	2023	**2022**
	RM'000	**RM'000**
Contract liabilities from property development		
At beginning of the financial year	**8,318**	8,836
Revenue recognised during the financial year	**(88,407)**	(45,505)
Progress billings during the financial year	**92,579**	44,987
At end of the financial year	**12,490**	8,318

Revenue from property development activities are recognised over time using the input method, which is based on the actual incurred to date on the property development project as compared to the total budgeted cost for the respective development projects.

The remaining performance obligations expected to be recognised (unsatisfied or partially unsatisfied) as at 30 June 2023 are, as follows:

	GROUP	
	2023	**2022**
	RM'000	**RM'000**
Within one year	**12,490**	8,318

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36. EMPLOYEE BENEFITS

(a) Executive Share Scheme

The Company had on 9 December 2022, implemented a new Executive Share Scheme ("GLM ESS") which comprises an Executive Share Option Scheme ("ESOS") and an Executive Share Grant Scheme ("ESGS") for the eligible executives and/or directors of the Company and its subsidiaries ("Group") ("Eligible Executives"). The GLM ESS shall be in force for a period of 10 years.

The main features of the GLM ESS are, inter alia, as follows:-

1. The GLM ESS is governed by the GLM Bye-Laws and entails the making of one or more offers to the Eligible Executives as follow:

   (i) options under the ESOS which entitle an Eligible Executive who has accepted the offer to acquire the issued ordinary shares of the Company ("Shares") at pre-determined exercise prices ("Options"); and/or

   (ii) grants under the ESGS which entitle an Eligible Executive who has accepted the offer to receive Shares without any consideration payable by the Grant Holder ("Grants").

2. Eligible Executives are those executives of the Group who have been confirmed in service on the date of offer or directors of the Group. The Board of Directors of the Company ("Board") may from time to time at its absolute discretion select and identify suitable Eligible Executives to be offered Options or Grants.

3. The aggregate number of Shares comprised in the Options and/or Grants under the GLM ESS, and any other executive share schemes established by the Company which are still subsisting, shall not exceed an amount equivalent to 10% of the total number of issued Shares (excluding treasury Shares) at any one time ("Maximum Aggregate").

4. Where an Eligible Executive holds 20% or more of the total number of issued Shares (excluding treasury Shares), either singly or collectively through persons connected with the Eligible Executive, the allocation to such Eligible Executive must not exceed 10% of the Maximum Aggregate.

5. The exercise price of the Options shall not be at a discount of more than 10% (or such discount as the relevant authorities shall permit) from the 5-day volume weighted average market price of the Shares preceding the date of offer.

6. At the absolute discretion of the Board, the Options and/or Grants will be satisfied through the following:

   (i) issuance of new Shares;
   (ii) transfer of treasury Shares;
   (iii) transfer of existing Shares (other than treasury Shares); and/or
   (iv) cash settlement pursuant to the GLM Bye-Laws.

No Options and/or Grants have been granted or vested under the GLM ESS during the financial year ended 30 June 2023.

36. EMPLOYEE BENEFITS *cont'd*

(b) Value Creation Incentive Plan

On 22 August 2011, the Company has established a Value Creation Incentive Plan ("VCIP") for selected key executives of the Group to incentivise them towards achieving long term performance targets through the grant of options over Shares in the Company, which options will be satisfied through the transfer of existing Shares and/or cash settlement.

As the VCIP does not involve any issuance of new Shares, the VCIP and the grant of options under the VCIP do not require the approval of shareholders of the Company.

Movement of VCIP Options during the financial years

The following table illustrates the number and weighted average exercise prices ("WAEP") of, and movements in, share options during the financial years:

	2023		2022	
	No.	WAEP	No.	WAEP
Group	**'000**	**RM**	**'000**	**RM**
Outstanding at 1 July	-	-	3,000	1.16
Lapsed	-	-	(3,000)	-
Outstanding at 30 June	-	-	-	-

There were no VCIP Options granted or vested to eligible executives of the Group during the financial year. During the last financial year, 3,000,000 VCIP Options granted has lapsed. Since the commencement of VCIP, the Group granted a total of 47,500,000 VCIP Options to eligible executives, and all the VCIP Options granted has lapsed as at 30 June 2022.

The aggregate allocation to the directors and senior management of the Group under the VCIP is at the discretion of the Board provided that such allocation does not exceed 15% of the total number of issued Shares (excluding treasury shares) of the Company at any one time.

As at 30 June 2023, the total VCIP Options granted to the directors (including past directors) and senior management of the Group since the commencement of the VCIP represent approximately 6.64% of the total issued Shares of the Company.

The Board shall have the discretion to determine the aggregate allocation of Shares to directors and senior management of the Company pursuant to the GLM ESS and the VCIP, but in any case, it shall not exceed the Maximum Aggregate.

37. FINANCIAL INSTRUMENTS

(a) Financial risk management objectives and policies

The Group's and the Company's financial risk management objectives seek to ensure that adequate financial resources are available for the development of the Group's and the Company's businesses whilst managing their interest rate, credit, liquidity and equity price risks. The Group's and the Company's policy is not to engage in speculative transactions.

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37. FINANCIAL INSTRUMENTS *cont'd*

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's primary interest rate risk relates to interest-bearing borrowings.

The investments in financial assets including fixed deposits are mainly short-term in nature and they are not held for speculative purposes.

The Group and the Company manages its interest rate exposure by using a mix of fixed and floating rate debts and actively reviewing its debt portfolio, taking into account the investment holding period and nature of its assets.

At the reporting date, the interest rate profile of the interest-bearing financial instruments are as follows:

	2023 RM'000	2022 RM'000
Group		
Fixed rate instrument		
Financial assets	**105,671**	72,749
Variable rate instruments		
Financial liabilities	**602,257**	738,167

	2023 RM'000	2022 RM'000
Company		
Fixed rate instrument		
Financial assets	**44,650**	12,690
Variable rate instruments		
Financial liabilities	**210,300**	142,000

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company does not account for any fixed rate instruments at fair value through the profit or loss. Therefore, a change in interest rates at the reporting date would not affect the profit or loss.

37. FINANCIAL INSTRUMENTS *cont'd*

(b) Interest rate risk *cont'd*

Sensitivity analysis for variable rate instruments

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all variables held constant, of the Group's and the Company's profit/(loss) before tax (through the impact on floating rate borrowings).

	2023 RM'000	2022 RM'000
Group		
Variable rate instruments		
Interest rates increase by 25 basis points		
Profit before tax will be lower by	**(1,506)**	(1,845)
Interest rates decrease by 25 basis points		
Profit before tax will be higher by	**1,506**	1,845
Company		
Variable rate instruments		
Interest rates increase by 25 basis points		
Profit/(loss) before tax will be (lower)/higher by	**(526)**	(355)
Interest rates increase by 25 basis points		
Profit/(loss) before tax will be higher/(lower) by	**526**	355

(c) Effective interest rates and repricing analysis

The range of effective interest rates of the interest-earning financial assets and interest-bearing financial liabilities of the Group and of the Company and the periods in which they will be repriced or matured, are as follows:

	Effective interest rate %	Floating interest RM'000	Fixed interest rate RM'000	Total RM'000
GROUP				
Financial assets				
At 30 June 2023:				
Deposits placed with licensed banks	**2.15 - 3.60**	**-**	**105,671**	**105,671**
At 30 June 2022:				
Deposits placed with licensed banks	1.30 - 3.00	-	72,749	72,749
Financial liabilities				
At 30 June 2023:				
Loans and borrowings	**2.90 - 5.35**	**602,257**	**-**	**602,257**
At 30 June 2022:				
Loans and borrowings	2.61 - 5.90	738,167	-	738,167

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37. FINANCIAL INSTRUMENTS *cont'd*

(c) Effective interest rates and repricing analysis *cont'd*

The range of effective interest rates of the interest-earning financial assets and interest-bearing financial liabilities of the Group and of the Company and the periods in which they will be repriced or matured, are as follows: *cont'd*

	Effective interest rate %	Floating interest RM'000	Fixed interest rate RM'000	Total RM'000
COMPANY				
Financial assets				
At 30 June 2023:				
Deposits placed with licensed banks	**2.90 - 3.05**	**-**	**44,650**	**44,650**
Amounts due from subsidiaries	**3.57 - 4.45**	**44,532**	**-**	**44,532**
At 30 June 2022:				
Deposits placed with licensed banks	2.30 - 3.00	-	12,690	12,690
Amounts due from subsidiaries	3.07 - 3.33	22,619	-	22,619
Financial liabilities				
At 30 June 2023:				
Loans and borrowings	**2.90 - 5.00**	**210,300**	**-**	**210,300**
At 30 June 2022:				
Loans and borrowings	2.61 - 5.90	142,000	-	142,000

(d) Credit risk

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

Management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

As at reporting date, the maximum exposures to credit risk for the Group and the Company are represented by the carrying amount of each financial asset.

As at reporting date, the Group and the Company do not have any significant exposure or concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors except for the amounts due from subsidiaries in respect of the Company as disclosed in Note 24.

37. FINANCIAL INSTRUMENTS *cont'd*

(d) Credit risk *cont'd*

Financial assets that are neither past due nor impaired

Information regarding trade and other receivables that are neither past due nor impaired is disclosed in Note 24. Deposits with banks and other financial institutions that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

(e) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group and the Company manage their liquidity risk by maintaining adequate reserves, access to a number of sources of banking facilities which are sufficient to meet anticipated funding requirements, and reserve borrowing facilities by continuously monitoring their forecasts and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and of the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
At 30 June 2023				
GROUP				
Financial liabilities:				
Trade and other payables	**176,547**	**1,505**	**-**	**178,052**
Lease liabilities	**2,738**	**9,061**	**8,529**	**20,328**
Loans and borrowings	**269,053**	**156,302**	**297,436**	**722,791**
Total undiscounted financial liabilities	**448,338**	**166,868**	**305,965**	**921,171**
COMPANY				
Financial liabilities:				
Trade and other payables	**1,072**	**-**	**-**	**1,072**
Lease liabilities	**75**	**300**	**38**	**413**
Loans and borrowings	**218,565**	**-**	**-**	**218,565**
Total undiscounted financial liabilities	**219,712**	**300**	**38**	**220,050**

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37. FINANCIAL INSTRUMENTS *cont'd*

(e) Liquidity risk *cont'd*

Analysis of financial instruments by remaining contractual maturities *cont'd*

The table below summarises the maturity profile of the Group's and of the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations. *cont'd*

	On demand or within one year	One to five years	Over five years	Total
	RM'000	RM'000	RM'000	RM'000
At 30 June 2022				
GROUP				
Financial liabilities:				
Trade and other payables	162,417	648	-	163,065
Lease liabilities	2,540	6,371	-	8,911
Loans and borrowings	330,617	221,199	298,823	850,639
Total undiscounted financial liabilities	495,574	228,218	298,823	1,022,615
COMPANY				
Financial liabilities:				
Trade and other payables	798	-	-	798
Amounts due to subsidiaries	21,141	-	-	21,141
Lease liabilities	41	-	-	41
Loans and borrowings	146,353	-	-	146,353
Total undiscounted financial liabilities	168,333	-	-	168,333

(f) Fair values of financial instruments

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables (current)	24
Loans and borrowings (current)	33
Loans and borrowings (non-current - variable rate)	33
Trade and other payables (current)	34

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near to the reporting date.

37. FINANCIAL INSTRUMENTS *cont'd*

(f) Fair values of financial instruments *cont'd*

Financial assets at fair value through profit or loss

The fair value of financial assets at fair value through profit or loss is based on quoted market price as at reporting date.

Financial guarantees

Fair value is determined based on probability weighted discounted cash flow method. The probability has been estimated and assigned for the following key assumptions:

- The likelihood of the guaranteed party defaulting within the guaranteed period;
- The exposure on the portion that is not expected to be recovered due to the guaranteed party's default; and
- The estimated loss exposure if the party guaranteed were to default.

38. FAIR VALUE MEASUREMENT

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

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

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

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

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
At 30 June 2023				
GROUP				
Investment properties	-	-	**281,663**	**281,663**
Investments in associates	**25,219**	-	-	**25,219**
Biological assets	-	-	**269**	**269**
	25,219	-	**281,932**	**307,151**

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38. FAIR VALUE MEASUREMENT *cont'd*

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities: *cont'd*

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
At 30 June 2022				
GROUP				
Investment properties	-	-	276,063	276,063
Investments in associates	27,042	-	-	27,042
Biological assets	-	-	516	516
	27,042	-	276,579	303,621

There were no transfers between Level 1 and Level 2 for recurring fair value measurement during the financial year. Transfer out of Level 3 is shown below:

Fair value reconciliation of investment properties measured at Level 3

	Commercial RM'000
At 30 June 2023	
At 1 July 2022	
Measured at valuation	**276,063**
Net gain on fair value adjustments (Note 6)	**5,595**
Addition	**5**
At 30 June 2023	**281,663**
Valuation gain for the financial year included in profit or loss (recognised in other net operating income/(expenses))	**5,595**
At 30 June 2022	
At 1 July 2021	
Measured at valuation	274,063
Net loss on fair value adjustments (Note 6)	(1,440)
Addition	3,440
At 30 June 2022	276,063
Valuation loss for the financial year included in profit or loss (recognised in other net operating income/(expenses))	(1,440)

38. FAIR VALUE MEASUREMENT *cont'd*

Description of valuation techniques used and key inputs to valuation on investment properties measured at Level 3:

Property category	Valuation method	Significant unobservable inputs	Range (Weighted average)
As at 30 June 2023			
Completed	Investment method	Estimated rental value per square foot per month	**RM10.81**
		Estimated car park income per bay per month	**RM257**
		Estimated outgoings per square foot per month	**RM4.08**
		Void allowance	**10.00%**
		Yield	**4.00%**
		Capitalisation rate - term	**5.50%**
		Capitalisation rate - reversionary	**6.00%**
As at 30 June 2022			
Completed	Comparison method	The comparison method entails analysing recent transactions and asking prices of similar properties in and around the locality for comparison purposes with adjustments made for differences in location, visibility, size and tenure.	-25% to 20%
Completed	Investment method	Estimated rental value per square foot per month	RM11.36
		Estimated car park income per bay per month	RM256
		Estimated outgoings per square foot per month	RM3.99
		Void allowance	10.00%
		Yield	4.00%
		Capitalisation rate - term	5.50%
		Capitalisation rate - reversionary	6.00%

Investment method

The investment method is premised on the principle that the value of an income-producing property is represented by "the present worth of future rights to income, or utility". The value estimate under this method is derived by ascertaining the market rent of the property (i.e. that income which is ascribable to the property under its highest and best use); deducting all reasonable annual operating expenses (as would be experienced under typical management) and then capitalising the resultant net operating income by an appropriate rate of capitalisation to obtain the present value of the income stream.

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39. SUBSIDIARIES

The subsidiaries are as follows:

	Name of company	Principal place of business	% of ownership interest held by Group 2023 %	Group 2022 %	Non-controlling interest 2023 %	Non-controlling interest 2022 %	Principal activities
^	Guoman Hotel & Resort Holdings Sdn Bhd and its subsidiaries:	Malaysia	**70**	70	**30**	30	Investment holding
	^ Kiapeng Development Sdn Bhd	Malaysia	**70**	70	**30**	30	In member's voluntary liquidation
	^ Megawise Philippines, Inc.	Philippines	**70**	70	**30**	30	Dormant
	^ JB Parade Condominium Sdn Bhd	Malaysia	**70**	70	**30**	30	Property development
^	GuocoLand Development Sdn Bhd and its subsidiaries:	Malaysia	**100**	100	**-**	-	Investment holding and property development
	^ Corebright Housing Sdn Bhd	Malaysia	**100**	100	**-**	-	Provision of construction management services
	+ Bedford Industrial Development Sdn Bhd	Malaysia	**100**	100	**-**	-	Property development
	^+ GLM Emerald (Jasin) Sdn Bhd and its subsidiary:	Malaysia	**100**	100	**-**	-	Investment holding and property development
	GLM Emerald Industrial Park (Jasin) Sdn Bhd	Malaysia	**68**	68	**32**	32	Property development and operation of an oil palm estate
	Sabna Development Sdn Bhd	Malaysia	**100**	100	**-**	-	Property development
	^ Ace Acres Sdn Bhd	Malaysia	**100**	100	**-**	-	Property development
^	Astute Modernization Sdn Bhd	Malaysia	**-**	100	**-**	-	Dissolved by member's voluntary liquidation
^	Titan Debut Sdn Bhd	Malaysia	**100**	100	**-**	-	Acquisition, enhancement and resale of properties
^	GLM Oval Sdn Bhd	Malaysia	**100**	100	**-**	-	Property investment
	GLM Emerald Hills (Cheras) Sdn Bhd	Malaysia	**100**	100	**-**	-	Property development
	GLM Emerald Square (Cheras) Sdn Bhd	Malaysia	**100**	100	**-**	-	Property development
^+	PJ Corporate Park Sdn Bhd	Malaysia	**100**	100	**-**	-	Property development
^+	PJ City Development Sdn Bhd	Malaysia	**100**	100	**-**	-	Property development and property investment

39. SUBSIDIARIES *cont'd*

The subsidiaries are as follows: *cont'd*

	Name of company	Principal place of business	% of ownership interest held by Group 2023 %	Group 2022 %	Non-controlling interest 2023 %	Non-controlling interest 2022 %	Principal activities
^	GLM Real Estate Holdings Sdn Bhd and its subsidiaries:	Malaysia	**100**	100	**-**	-	Investment holding
	Damansara City Sdn Bhd	Malaysia	**100**	100	**-**	-	Property development and property investment
	DC Town Square Sdn Bhd	Malaysia	**100**	100	**-**	-	Property investment
	DC Parking Sdn Bhd	Malaysia	**100**	100	**-**	-	Car park operations and property investment
	^ GLM Land Sdn Bhd and its subsidiaries:	Malaysia	**100**	100	**-**	-	Investment holding
	DC Offices Sdn Bhd	Malaysia	**100**	100	**-**	-	Property investment
	DC Hotel Sdn Bhd	Malaysia	**100**	100	**-**	-	Hotel operations
^	GLM Equities Sdn Bhd	Malaysia	**100**	100	**-**	-	Investment holding
^	GLM Property Services Sdn Bhd	Malaysia	**100**	100	**-**	-	Provision of property management services
^	Corebright Property Management Co Sdn Bhd	Malaysia	**100**	100	**-**	-	In member's voluntary liquidation
^	GLM REIT Management Sdn Bhd	Malaysia	**100**	100	**-**	-	Provision of management services
^	Raikon Building Management Co Sdn Bhd	Malaysia	**100**	100	**-**	-	Provision of property-related services
	GLM IHM Sdn Bhd	Malaysia	**100**	100	**-**	-	Provision of management services
^	Corebright Management Sdn Bhd	Malaysia	**100**	100	**-**	-	In member's voluntary liquidation

+ Subsidiaries consolidated under merger method of accounting.
^ Not audited by member firms of Ernst & Young Global.

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40. CAPITAL MANAGEMENT

The primary objective of the Group's and of the Company's capital management is to ensure that they maintain a strong credit rating and healthy capital ratios in order to support their business and maximise shareholders' value.

The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions. No changes were made in the objectives, policies or processes during the financial years ended 30 June 2023 and 30 June 2022.

The Group and the Company monitor capital using Equity : Debt Ratio.

	GROUP		COMPANY	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Equity attributable to the owners of the parent	**1,337,836**	1,316,628	**1,198,875**	1,155,881
Loans and borrowings (Note 33)	**602,257**	738,167	**210,300**	142,000
Less: Cash and bank balances (Note 29)	**(169,207)**	(103,309)	**(44,881)**	(13,101)
Net debt	**433,050**	634,858	**165,419**	128,899
Equity : Debt Ratio	**76 : 24**	67 : 33	**88 : 12**	90 : 10

41. SEGMENT INFORMATION

The Group predominantly carries out its operations in Malaysia. The Group's operations is presented using the following business segments, reviewed by the chief operating decision maker:

For management purposes, the Group is organised into business units based on their products and services and comprises four major business segments:

(i) Property development - the development of residential properties and commercial properties for sale;

(ii) Property investment - investments in residential and commercial properties and investment in Real Estate Investment Trusts;

(iii) Hotels - management and operations of hotels; and

(iv) Plantation - operation of oil palm estates and sale of fresh fruit bunches.

Other business segments include provision of management services, investment holdings and trading in securities.

41. SEGMENT INFORMATION *cont'd*

The directors are of the opinion that all inter-segment transactions have been entered into on terms and conditions negotiated amongst the parties.

	Property development		Property investment		Hotels		Plantation		Others		Elimination*		Consolidated	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue														
External sales	**354,668**	377,900	**16,735**	13,743	**45,846**	21,287	**8,914**	13,701	**8,186**	7,435	**-**	-	**434,349**	434,066
Inter-segment sales	**-**	-	**199**	45	**-**	-	**-**	-	**19,505**	21,386	**(19,704)**	(21,431)	**-**	-
Total revenue	**354,668**	377,900	**16,934**	13,788	**45,846**	21,287	**8,914**	13,701	**27,691**	28,821	**(19,704)**	(21,431)	**434,349**	434,066
Results														
Segment results	**77,834**	71,599	**7,769**	281	**(3,907)**	(13,030)	**3,639**	8,385	**86,747**	(3,741)	**(101,846)**	(8,447)	**70,236**	55,047
Finance income	**1,886**	664	**190**	126	**67**	31	**242**	306	**3,708**	3,928	**(3,121)**	(3,011)	**2,972**	2,044
Finance costs	**(9,938)**	(11,501)	**(5,458)**	(5,723)	**(6,680)**	(6,295)	**(1)**	(1)	**(8,732)**	(4,686)	**3,085**	788	**(27,724)**	(27,418)
Share of loss/(profit) of associates (net of tax)	**(534)**	2,430	**(4,097)**	1,558	**-**	-	**(72)**	525	**-**	-	**-**	-	**(4,703)**	4,513
Share of profit of joint ventures (net of tax)	**15,285**	15,821	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**15,285**	15,821
Income tax (expense)/benefit	**(14,555)**	(16,858)	**(584)**	7	**-**	-	**(172)**	(2,808)	**(1,880)**	(2,219)	**-**	-	**(17,191)**	(21,878)
Profit net of tax													**38,875**	28,129
Non-controlling interests													**(4,269)**	(1,830)
Net profit for the financial year attributable to the owners of the parent													**34,606**	26,299

41. SEGMENT INFORMATION *cont'd*

	Property development		Property investment		Hotels		Plantation		Others		Elimination*		Consolidated	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Assets														
Segment assets	**1,061,066**	1,185,635	**290,833**	285,932	**297,065**	304,303	**165,599**	161,818	**89,035**	51,394	**-**	-	**1,903,598**	1,989,082
Investments in associates	**81,416**	81,377	**108,248**	112,928	**-**	-	**183**	924	**-**	-	**-**	-	**189,847**	195,229
Investments in joint ventures	**135,478**	136,528	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**135,478**	136,528
Deferred tax assets													**15,012**	14,229
Tax recoverable													**1,728**	3,011
Consolidated total assets													**2,245,663**	2,338,079
Liabilities														
Segment liabilities	**173,415**	150,050	**7,598**	8,446	**7,151**	7,808	**842**	1,250	**22,674**	18,118	**-**	-	**211,680**	185,672
Loans and borrowings													**602,257**	738,167
Deferred tax liabilities													**14,960**	16,867
Tax payable													**2,680**	5,724
Consolidated total liabilities													**831,577**	946,430
Other Information														
Additions in non-current assets:														
- Property, plant and equipment	**43**	149	**471**	677	**299**	93	**159**	38	**85**	866	**-**	-	**1,057**	1,823
Depreciation:														
- Property, plant and equipment	**2,538**	2,182	**240**	141	**6,295**	8,849	**291**	298	**1,060**	1,093	**-**	-	**10,424**	12,563
- Right-of-use assets	**313**	308	**-**	-	**-**	-	**-**	-	**1,972**	3,730	**-**	-	**2,285**	4,038
Net (gain)/loss on fair value adjustments of investment properties	**-**	-	**(5,595)**	1,440	**-**	-	**-**	-	**-**	-	**-**	-	**(5,595)**	1,440

41. SEGMENT INFORMATION *cont'd*

	Property development		Property investment		Hotels		Plantation		Others		Elimination*		Consolidated	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Other Information *cont'd*														
Inventories written down	**4,130**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**4,130**	-
Realisation of goodwill	**459**	459	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**459**	459
Allowance for impairment on trade and other receivables	**-**	-	**108**	100	**-**	-	**-**	-	**-**	-	**-**	-	**108**	100
Gain on disposal of property, plant and equipment	**-**	-	**-**	-	**-**	-	**-**	-	**(2)**	-	**-**	-	**(2)**	-
Reversal of allowance for impairment on trade receivables	**-**	-	**(4)**	(1,972)	**-**	-	**-**	-	**-**	(20)	**-**	-	**(4)**	(1,992)
Loss/(gain) on fair value on biological assets	**-**	-	**-**	-	**-**	-	**247**	(381)	**-**	-	**-**	-	**247**	(381)
Bad debts written off/ (written back)	**-**	-	**-**	1,371	**-**	(3)	**-**	-	**18**	-	**-**	-	**18**	1,368

* *Inter-segment revenues are eliminated on consolidation.*

Segmental reporting by geographical location has not been presented as the Group's operations are substantially carried out in Malaysia.

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42. SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) Related parties

The Group has related party transactions with corporations which are related to the directors and/or major shareholders of the Company and/or persons connected with them.

Hong Leong Company (Malaysia) Berhad ("HLCM") is a person connected with certain major shareholders of GLM. GuoLine Capital Assets Limited ("GCA") is the ultimate holding company of the Company through GLL (Malaysia) Pte Ltd. YBhg Tan Sri Quek Leng Chan is a major shareholder of the Company, and a director and major shareholder of HLCM and GCA.

The related parties and their relationship with the Group are as follows:

Related parties	Relationship
Hong Leong Financial Group Berhad and subsidiaries ("HLFG Group")	Subsidiaries of HLCM
HL Management Co Sdn Bhd and subsidiaries ("HLMC Group")	Subsidiaries of HLCM
GuoLine Group Management Company Pte Ltd ("GGMC")	Subsidiary of GCA
HLMG Management Co Sdn Bhd ("HLMG")	Subsidiary of HLCM
Guardian Security Consultants Sdn Bhd ("GSC")	Associate of HLCM
Tower Real Estate Investment Trust ("Tower REIT")	An investment trust in which the Group, HLCM and certain directors have interests
GLM Emerald (Sepang) Sdn Bhd	Associate of GLM
GLM Emerald (Rawang) Sdn Bhd and subsidiaries	Joint ventures in which certain directors have interests

(b) Transactions within the Group

	COMPANY	
	2023	2022
	RM'000	RM'000
Dividend income (Note 4)	**73,360**	-
Interest income (Note 7)	**3,121**	2,870
Interest expense (Note 8)	**-**	(141)

42. SIGNIFICANT RELATED PARTY TRANSACTIONS *cont'd*

(c) Related party transactions

	GROUP	
	2023	**2022**
	RM'000	**RM'000**
Management services income received/receivable from joint ventures	**3,717**	4,781
Rental income received/receivable from:		
- HLFG Group	**481**	413
- HLMG	**102**	101
Management services income received/receivable from:		
- Tower REIT	**2,337**	2,376
- An associate	**185**	443
Interest income received/receivable from HLFG Group	**2,415**	2,019
Dividend income from Tower REIT	**583**	1,434
Dividend income from GLM Emerald (Rawang) Sdn Bhd	**3,509**	-
Security guard services fees paid/payable to GSC	**(946)**	(1,385)
Management services fees paid/payable to GGMC	**(2,816)**	(2,510)
Office rental paid/payable to:		
- HLFG Group	**(78)**	(81)
- Tower REIT	**(2,126)**	(2,151)
Interest expense paid/payable to HLFG Group	**(1)**	(1)
Financial and treasury services fees paid/payable to HLMC Group	**(62)**	(48)
Shares, warrants and ESS administration services fees paid/payable to HLMC Group	**(5)**	(5)

The above transactions have been carried out on terms consistent with the usual business practices and policies of the Group and of the Company and on terms negotiated amongst the related parties.

Information regarding the outstanding balances arising from related party transactions as at 30 June 2023 are disclosed in Notes 24 and 34.

(d) Compensation of key management personnel

The directors of the Company are key management personnel who have the authority and responsibility for planning, directing and controlling the activities of the Group and of the Company directly or indirectly. Directors' remunerations are as disclosed in Note 11.

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43. OPERATING LEASES - GROUP AS LESSOR

The Group has entered into non-cancellable operating lease agreements on its investment property portfolio.

The future aggregate minimum lease receivable under non-cancellable operating leases contracted for as at the reporting date but not recognised as receivables are as follows:

	GROUP	
	2023	2022
	RM'000	RM'000
Not later than 1 year	**5,806**	4,614
Later than 1 year and not later than 5 years	**7,782**	3,545
	13,588	8,159

44. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

Disposal of land

On 27 April 2023, GLM Emerald Industrial Park (Jasin) Sdn Bhd ("GLM EIPJ"), a 68%-owned indirect subsidiary of the Company, had entered into a sale and purchase agreement with Mr Subrayan A/L Sellapan, Ms Lila @ Linda A/P Sinasamy and Mr Sreetharan A/L Muthusamy (collectively, the "Purchasers") and IOI Corporation Berhad, for the proposed disposal by GLM EIPJ to the Purchasers of a parcel of land located in the Mukim and District of Jasin, State of Melaka for a total cash consideration of RM19,027,364.40 ("Disposal").

The Disposal contributed a revenue of RM19.0 million and profit before tax of RM12.7 million.

OTHER INFORMATION

1. TOP 10 PROPERTIES HELD BY THE SUBSIDIARIES AS AT 30 JUNE 2023

No	Location	Tenure	Existing Usage	Approximate Land Area (acres)/ Gross Floor Area (sqm)*	Approximate Age (Years)	Net Book Value (RM'000)	Date of Acquisition
1	**Sofitel Kuala Lumpur Damansara** Lot 58303 Bukit Damansara Kuala Lumpur	Freehold	Hotel	37,726*	7	264,506	9/11/1994
2	**Emerald 9 @ Cheras** Lot 809 and 810 Cheras Batu 8 1/4 and Batu 8 1/2, Jalan Cheras Daerah Hulu Langat Selangor	Freehold	Development Land	134,058*	-	233,792	5/07/2016
3	**DC Mall** Lot 58303 Bukit Damansara Kuala Lumpur	Freehold	Retail mall ^	33,750*	7	170,600	9/11/1994
4	**DC Residensi** Lot 58303 Bukit Damansara Kuala Lumpur	Freehold	Residential	17,337*	7	158,353	9/11/1994
5	Vacant land at Mukim of Jasin Melaka Darul Amin	Freehold	Development Land	1,768	-	133,425	22/05/1996
6	**OVAL Kuala Lumpur** Oval Condominium at Seksyen 63, Bandar & Daerah Kuala Lumpur Wilayah Persekutuan Kuala Lumpur	Freehold	Residential	12,293*	15	117,557	8/08/2007
7	**PJ Corporate Park** Lot 13507 Seksyen 32 Bandar Petaling Jaya Daerah Petaling Selangor	Leasehold Expiry Date: 12/12/2107	Commercial development	3.2	-	114,744	10/09/2004
8	**DC Parking** Lot 58303 Bukit Damansara Kuala Lumpur	Freehold	Car park ^	106,626*	7	107,000	9/11/1994
9	**Emerald Hills @ Cheras** Lot 7585 to 7589 Lot 7597 to 7600 and PT 15231 Mukim Petaling Wilayah Persekutuan Kuala Lumpur	Freehold	Development Land	27,645*	-	91,623	13/04/2012
10	**Sabna Development** at Mukim Ulu Kelang Selangor Darul Ehsan	Freehold	-	7.5	-	7,850	22/11/1982

Notes :

* *Applicable for high-rise building*

^ *Investment properties are generating rental income and carried at fair value*

OTHER INFORMATION
cont'd

2. LANDBANK OF JOINT VENTURES AND ASSOCIATES AS AT 30 JUNE 2023

No	Location	Tenure	Approximate Land Area (acres)	Approximate Age (Years)	Net Book Value (RM'000)	Date of Acquisition
1	*GLM Emerald (Sepang) Sdn Bhd* **Pantai Sepang Putra** Residential development at Mukim of Sepang Districts of Sepang & Kuala Langat Selangor Darul Ehsan	Freehold	3,044.0	-	186,390	27/03/1992
2	*GLM Emerald West (Rawang) Sdn Bhd* **Emerald West** Residential development at Mukim of Rawang Districts of Gombak & Ulu Selangor Selangor Darul Ehsan	Freehold	412.9	-	179,833	31/05/2000
3	*GLM Emerald East (Rawang) Sdn Bhd* **Emerald East** Residential development at Mukim of Rawang Districts of Gombak & Ulu Selangor Selangor Darul Ehsan	Freehold	23.7	-	15,227	11/10/1999

3. ANALYSIS OF SHAREHOLDINGS AS AT 29 SEPTEMBER 2023

Class of Shares : Ordinary shares
Voting Rights : 1 vote for each share held

Distribution Schedule Of Shareholders

Size of Holdings	No. of Shareholders	%	No. of Shares	%
Less than 100	403	5.12	14,604	0.00
100 – 1,000	2,064	26.24	1,860,467	0.27
1,001 – 10,000	3,891	49.46	17,629,251	2.52
10,001 – 100,000	1,310	16.65	40,574,381	5.79
100,001 – less than 5% of issued shares	198	2.52	184,873,035	26.39
5% and above of issued shares	1	0.01	455,506,780	65.03
	7,867	100.00	700,458,518	100.00

Thirty Largest Shareholders

	Name of Shareholders	No. of Shares	%
1.	GLL (Malaysia) Pte Ltd	455,506,780	65.03
2.	HLIB Nominees (Tempatan) Sdn Bhd *- Exempt AN for GuocoLand (Malaysia) Berhad (ESOS/VCIP)*	30,578,100	4.37
3.	Associated Land Sendirian Berhad	23,260,216	3.32
4.	Tan Sri Quek Leng Chan	19,506,780	2.78
5.	CGS-CIMB Nominees (Asing) Sdn Bhd *- Exempt AN for CGS-CIMB Securities (Singapore) Pte Ltd (Retail Clients)*	13,357,768	1.91
6.	AllianceGroup Nominees (Tempatan) Sdn Bhd *- Pledged Securities Account for Ong Siew Eng @ Ong Chai (8040800)*	7,500,000	1.07
7.	UOB Kay Hian Nominees (Asing) Sdn Bhd *- Exempt AN for UOB Kay Hian Pte Ltd (A/C Clients)*	7,256,674	1.04
8.	Public Nominees (Tempatan) Sdn Bhd *- Pledged Securities Account for Lee Kwong Joo (E-KLC)*	4,668,110	0.67
9.	Citigroup Nominees (Asing) Sdn Bhd *- Exempt AN for OCBC Securities Private Limited (Client A/C-NR)*	3,448,043	0.49
10.	HSBC Nominees (Asing) Sdn Bhd *- Exempt AN for Credit Suisse (HK BR-TST-Asing)*	3,192,000	0.46
11.	Gan Ah Kow	3,004,800	0.43
12.	Gan Ah Kow	2,695,800	0.38
13.	RHB Capital Nominees (Tempatan) Sdn Bhd *- Pledged Securities Account for Poh Soon Sim (CEB)*	2,443,300	0.35
14.	Low Keng Boon Holdings Sdn Bhd	2,378,100	0.34
15.	Low Keng Boon @ Lau Boon Sen	2,200,700	0.31
16.	Tan Liew Cheun	2,085,200	0.30

OTHER INFORMATION
cont'd

3. ANALYSIS OF SHAREHOLDINGS AS AT 29 SEPTEMBER 2023 *cont'd*

Thirty Largest Shareholders *cont'd*

	Name of Shareholders	No. of Shares	%
17.	Lee Joo Ping	1,860,000	0.27
18.	UOB Kay Hian Nominees (Tempatan) Sdn Bhd *- Pledged Securities Account for Teo Siew Lai*	1,685,100	0.24
19.	UOB Kay Hian Nominees (Tempatan) Sdn Bhd *- Pledged Securities Account for Teo Kwee Hock*	1,660,700	0.24
20.	HSBC Nominees (Asing) Sdn Bhd *- Exempt AN for Credit Suisse (SG BR-TST-Asing)*	1,556,800	0.22
21.	Public Nominees (Tempatan) Sdn Bhd *- Pledged Securities Account for Surinder Singh A/L Wassan Singh (E-IMO)*	1,555,000	0.22
22.	Kenanga Nominees (Tempatan) Sdn Bhd *- Pledged Securities Account for Ong Siew Eng @ Ong Chai*	1,484,200	0.21
23.	UOB Kay Hian Nominees (Asing) Sdn Bhd *- Exempt AN for UOB Kay Hian (Hong Kong) Limited (A/C Clients)*	1,480,000	0.21
24.	Chua Holdings Sdn Bhd	1,428,465	0.20
25.	Affin Hwang Nominees (Tempatan) Sdn Bhd *- Pledged Securities Account for Ong Siew Eng @ Ong Chai (M04)*	1,339,700	0.19
26.	Goh Cheah Hong	1,261,300	0.18
27.	Atlas Edible Ice (Kangar) Sdn Bhd	1,120,000	0.16
28.	RHB Nominees (Asing) Sdn Bhd *- Exempt AN for Phillip Securities Pte Ltd (A/C Clients)*	997,340	0.14
29.	CGS-CIMB Nominees (Tempatan) Sdn Bhd *- Pledged Securities Account for Teoh Ewe Jin (MY0829)*	914,140	0.13
30.	Maybank Nominees (Tempatan) Sdn Bhd *- Pledged Securities Account for Tang Choon Seng*	870,000	0.13
		602,295,116	85.99

3. ANALYSIS OF SHAREHOLDINGS AS AT 29 SEPTEMBER 2023 *cont'd*

Substantial Shareholders

According to the Register of Substantial Shareholders, the substantial shareholders of the Company as at 29 September 2023 are as follows:

		Direct		Indirect	
	Names of Shareholders	**No. of Shares**	**%**	**No. of Shares**	**%**
1.	GuoLine Capital Assets Limited ("GCA")	-	-	455,506,780	65.03*A
2.	GuoLine Overseas Limited	-	-	455,506,780	65.03*A
3.	Guoco Group Limited	-	-	455,506,780	65.03*A
4.	GuocoLand Assets Pte Ltd	-	-	455,506,780	65.03*A
5.	GuocoLand Limited	-	-	455,506,780	65.03*A
6.	GLL (Malaysia) Pte Ltd ("GLLM")	455,506,780	65.03	-	-
7.	Tan Sri Quek Leng Chan	19,506,780	2.78	478,766,996	68.35*B
8.	Kwek Leng Beng	-	-	479,266,996	68.42*C
9.	Kwek Holdings Pte Ltd	-	-	479,266,996	68.42*C
10.	Hong Realty (Private) Limited	-	-	479,266,996	68.42*C
11.	Hong Leong Investment Holdings Pte Ltd	-	-	479,266,996	68.42*C
12.	Kwek Leng Kee	-	-	479,266,996	68.42*C
13.	Davos Investment Holdings Private Limited	-	-	479,266,996	68.42*C

Notes:
*A Held through GLLM
*B Held through GCA and a company in which the substantial shareholder has interest
*C Held through GCA and companies in which the substantial shareholder has interest

4. DIRECTORS' INTERESTS AS AT 29 SEPTEMBER 2023

Subsequent to the financial year end, there was no change, as at 29 September 2023, to the Directors' interests in the ordinary shares and/or options over ordinary shares of the Company and/or its related corporations (other than wholly-owned subsidiaries), appearing in the Directors' Report on page 68 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of Companies Act 2016.

5. MATERIAL CONTRACTS

There are no material contracts (not being contracts entered into in the ordinary course of business) which had been entered into by the Company and/or its subsidiaries involving the interest of Directors, chief executive and major shareholders, either still subsisting at the end of the financial year or entered into since the end of the previous financial year pursuant to Item 21, Part A, Appendix 9C of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Ninety-ninth Annual General Meeting ("AGM") of GuocoLand (Malaysia) Berhad ("Company") will be held at Wau Bulan Ballroom, Level 2, Sofitel Kuala Lumpur Damansara, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur on Friday, 10 November 2023 at 3.00 p.m. in order:

1. To lay before the meeting the audited financial statements together with the reports of the Directors and Auditors thereon for the financial year ended 30 June 2023.

2. To approve the payment of Director Fees of RM438,000 (2022: RM438,000) for the financial year ended 30 June 2023 to be divided amongst the Directors in such manner as the Directors may determine and Directors' Other Benefits of up to an amount of RM73,000 from the 99th AGM to the 100th AGM of the Company. ***(Resolution 1)***

3. To re-elect the following Directors pursuant to the Company's Constitution:
   (i) Puan Noorbaizura binti Hermeyney ***(Resolution 2)***
   (ii) Mr Peter Ho Kok Wai ***(Resolution 3)***

4. To re-appoint Ernst & Young PLT as Auditors of the Company and authorise the Directors to fix their remuneration. ***(Resolution 4)***

SPECIAL BUSINESS

As special business, to consider and, if thought fit, pass the following motions as resolutions:

5. **Ordinary Resolution**
   - **Authority To Directors To Allot Shares**
   - **Waiver Of Pre-Emptive Rights Over New Ordinary Shares ("Shares") Or Other Convertible Securities In The Company Under Section 85(1) Of The Companies Act 2016 ("Act") Read Together With Clause 50 Of The Constitution Of The Company**

   "THAT subject to the Act, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ["MMLR"], the Company's Constitution and approval of the relevant governmental regulatory authorities, if required, the Directors be and are hereby empowered pursuant to Sections 75 and 76 of the Act to issue and allot new Shares in the Company, grant rights to subscribe for Shares in the Company, convert any security into Shares in the Company, or allot Shares under an agreement or option or offer at any time and from time to time, and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, to any persons who are not caught by Paragraph 6.04(c) of the MMLR, provided that the aggregate number of Shares issued and allotted, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution does not exceed 10% of the total number of issued Shares (excluding treasury shares) of the Company for the time being and that the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional Shares so allotted on Bursa Securities and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company;

   AND THAT in connection with the above, pursuant to Section 85(1) of the Act read together with Clause 50 of the Company's Constitution, the shareholders of the Company do hereby waive their pre-emptive rights over all new Shares, options over or grants of new Shares or any other convertible securities in the Company and/or any new Shares to be issued pursuant to such options, grants or other convertible securities, such new Shares when issued, to rank pari passu with the existing Shares in the Company." ***(Resolution 5)***

6. **Ordinary Resolution**
   - **Proposed Renewal Of Shareholders' Mandate For Recurrent Related Party Transactions Of A Revenue Or Trading Nature With Hong Leong Company (Malaysia) Berhad ("HLCM"), GuoLine Capital Assets Limited ("GCA") And Persons Connected With HLCM and GCA**

   "THAT approval be and is hereby given for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature as set out in Section 2.3(A) of Part A of the Company's Circular to Shareholders dated 12 October 2023 with HLCM and GCA and persons connected with HLCM and GCA provided that such transactions are undertaken in the ordinary course of business, on commercial terms which are not more favourable to the related parties than those generally available to and/or from the public, where applicable, and are not, in the Company's opinion, detrimental to the minority shareholders;

AND THAT such approval shall continue to be in force until:

(i) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed; or

(ii) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or

(iii) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier;

AND THAT the Directors of the Company be and are hereby authorised to do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this ordinary resolution." ***(Resolution 6)***

7. **Ordinary Resolution**
- Proposed Renewal Of Shareholders' Mandate For Recurrent Related Party Transactions Of A Revenue Or Trading Nature With The Directors And Major Shareholders Of The Company And Persons Connected With Them

"THAT approval be and is hereby given for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature as set out in Section 2.3(B) of Part A of the Company's Circular to Shareholders dated 12 October 2023 ("Circular") with all the Directors and major shareholders of the Company (as defined in the Circular) and persons connected with them provided that such transactions are undertaken in the ordinary course of business, on commercial terms which are not more favourable to the related parties than those generally available to and/or from the public, where applicable, and are not, in the Company's opinion, detrimental to the minority shareholders;

AND THAT such approval shall continue to be in force until:

(i) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed; or

(ii) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or

(iii) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier;

AND THAT the Directors of the Company be and are hereby authorised to do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this ordinary resolution." ***(Resolution 7)***

8. **Ordinary Resolution**
- Proposed Renewal Of Shareholders' Mandate For Recurrent Related Party Transactions Of A Revenue Or Trading Nature With Tower Real Estate Investment Trust ("Tower REIT")

"THAT approval be and is hereby given for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature as set out in Section 2.3(C) of Part A of the Company's Circular to Shareholders dated 12 October 2023 with Tower REIT provided that such transactions are undertaken in the ordinary course of business, on commercial terms which are not more favourable to the related parties than those generally available to and/or from the public, where applicable, and are not, in the Company's opinion, detrimental to the minority shareholders;

NOTICE OF ANNUAL GENERAL MEETING
cont'd

AND THAT such approval shall continue to be in force until:

(i) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed; or

(ii) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or

(iii) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier;

AND THAT the Directors of the Company be and are hereby authorised to do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this ordinary resolution." ***(Resolution 8)***

9. **Ordinary Resolution**
- Proposed Renewal of Authority For The Purchase Of Own Shares By The Company

"THAT subject to the Companies Act 2016 ("Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Constitution and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ["MMLR"] and any other relevant authority, the Directors of the Company be and are hereby authorised to make purchases of ordinary shares in the Company's issued ordinary share capital on Bursa Securities subject further to the following:

(a) the maximum number of shares which may be purchased and/or held by the Company shall be equivalent to 10% of the total number of issued shares of the Company ("Shares") for the time being;

(b) the maximum fund to be allocated by the Company for the purpose of purchasing the Shares shall not exceed the retained profits of the Company based on its latest audited financial statements available up to the date of the transaction. (As at 30 June 2023, the audited retained profits of the Company was RM769,221,000); and

(c) the authority conferred by the resolution as set out in paragraphs (a) and (b) above will commence immediately upon passing of this ordinary resolution and will expire at the conclusion of the next Annual General Meeting ("AGM") of the Company, unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in a general meeting or the expiration of the period within which the next AGM after that date is required by law to be held, whichever occurs first and, in any event, in accordance with the provisions of the MMLR or any other relevant authority;

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement or to effect the purchase(s) of the Shares;

AND THAT the Directors of the Company be and are hereby authorised to deal with any Shares so purchased and any treasury shares ("Said Shares") in the following manner:

(a) cancel the Said Shares; or
(b) retain the Said Shares as treasury shares; or
(c) retain part of the Said Shares as treasury shares and cancel the remainder; or
(d) distribute all or any of the Said Shares as dividends to shareholders; or
(e) resell all or any of the Said Shares in accordance with the relevant rules of Bursa Securities; or
(f) transfer all or any of the Said Shares for the purposes of or under an employees' share scheme; or
(g) transfer all or any of the Said Shares as purchase consideration; or
(h) sell, transfer or otherwise use the treasury shares for such other purposes as the Minister (being the Minister charged with the responsibilities for the companies) may, by order, prescribe

and/or in any other manner as may be prescribed by the Act, rules, regulations and orders made pursuant to the Act and the MMLR and any other relevant authority for the time being in force; AND THAT the authority to deal with the Said Shares shall continue to be valid until all the Said Shares have been dealt with by the Directors of the Company." ***(Resolution 9)***

10. **Ordinary Resolution**
    - **Proposed Allocation Of Options And/Or Grants To The Managing Director Of The Company**
    - **Waiver Of Pre-Emptive Rights Over New Ordinary Shares ("Shares") Or Other Convertible Securities In The Company Under Section 85(1) Of The Companies Act 2016 ("Act") Read Together With Clause 50 Of The Constitution Of The Company**

    "THAT authority be and is hereby given to the Board of the Company, from time to time, to offer to Puan Noorbaizura binti Hermeyney, the Managing Director of the Company, of up to 7,000,000 Shares comprised in the options and/or grants under the Executive Share Scheme of the Company ("ESS") or 10% of the Maximum Aggregate (as defined in the Bye-Laws of the ESS), whichever is higher, as they shall deem fit, PROVIDED THAT not more than 10% of the Maximum Aggregate are allotted to her if she, either singly or collectively through persons connected with her, holds 20% or more of the total number of issued Shares (excluding treasury Shares) subject always to such terms and conditions and/or any adjustment which may be made in accordance with the provisions of the Bye-Laws;

    AND THAT pursuant to Section 85(1) of the Act read together with Clause 50 of the Company's Constitution, the shareholders of the Company do hereby waive their pre-emptive rights over all options, grants and/or any new Shares to be issued pursuant to the exercise of such options by and/or the vesting of such grants in the Managing Director of the Company, such new Shares when issued, to rank pari passu with the existing Shares in the Company." ***(Resolution 10)***

11. To consider any other business of which due notice shall have been given.

By Order of the Board

CHIN MIN YANN (MAICSA 7034011) (SSM PC No. 202008002583)
LEE SOW YEANG (MAICSA 7020119) (SSM PC No. 202008002989)
Company Secretaries

Kuala Lumpur
12 October 2023

Notes

1. For the purpose of determining members' eligibility to attend this meeting, only members whose names appear in the Record of Depositors as at 31 October 2023 shall be entitled to attend this meeting or appoint proxy(ies) to attend and vote on their behalf.

2. Save for a member who is an exempt authorised nominee, a member entitled to attend and vote at this meeting is entitled to appoint not more than two (2) proxies to attend, participate, speak and vote in his stead. A proxy may but need not be a member of the Company. A member who is an authorised nominee may appoint not more than two (2) proxies in respect of each securities account it holds. A member who is an exempt authorised nominee for multiple beneficial owners in one securities account ("Omnibus Account") may appoint any number of proxies in respect of the Omnibus Account.

3. Where two (2) or more proxies are appointed, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies, failing which, the appointments shall be invalid.

4. The Form of Proxy must be deposited at the Registered Office of the Company at Level 32, Menara Hong Leong, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur or lodged electronically via email at cosec-glm@guocoland.com, not less than 48 hours before the time appointed for holding of the meeting or adjourned meeting.

5. Pursuant to Paragraph 8.29A(1) of the MMLR, all resolutions set out in this Notice will be put to a vote by way of a poll.

NOTICE OF ANNUAL GENERAL MEETING

cont'd

Explanatory Notes

1. **Resolution 1 – Director Fees and Directors' Other Benefits**

   - Director Fees of RM438,000 are inclusive of Board Committees Fees of RM148,000.
   - Directors' Other Benefits of up to an amount of RM73,000 refer to Directors' training benefits and Directors' and Officers' Liability Insurance coverage based on premium paid/payable.

2. **Resolutions 2 and 3 – Re-election of Directors**

   The Board, on the recommendation of the Nomination Committee of the Company ("NC"), supports the re-election of the retiring Directors. The NC has conducted assessment on the fitness and propriety of the retiring Directors including the review of their Fit and Proper Declaration and was satisfied that the retiring Directors met the Fit and Proper criteria as set out in the Directors' Fit and Proper Policy of the Company.

   The NC has also reviewed the results of the Board Annual Assessment conducted for the financial year ended 30 June 2023 and noted that Mr Peter Ho Kok Wai has effectively discharged his duties and responsibilities. In addition, the NC has assessed the declaration made by Mr Peter Ho confirming that he fulfilled the Independent Director criteria as set out in the MMLR.

   The retiring Directors had abstained from deliberation and decision on their re-election at the NC and Board meeting, as applicable. The profile and details of the retiring Directors are set out in the Board of Directors section of the Company's 2023 Annual Report.

3. **Resolution 5 – Authority to Directors to Allot Shares and Waiver of Pre-emptive Rights**

   The proposed Ordinary Resolution, if passed, will renew the general mandate given to the Directors of the Company to allot Shares of the Company from time to time and expand the mandate to grant rights to subscribe for Shares in the Company, convert any security into Shares in the Company, or allot Shares under an agreement or option or offer, provided that the aggregate number of Shares issued and allotted, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution does not exceed 10% of the total number of issued Shares (excluding treasury shares) of the Company for the time being ("Renewed General Mandate"). In computing the aforesaid 10% limit, Shares issued or agreed to be issued or subscribed pursuant to the approval of shareholders in a general meeting where precise terms and conditions are approved shall not be counted. The Renewed General Mandate, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

   As at the date of this Notice, no new Shares in the Company were issued and allotted pursuant to the general mandate given to the Directors at the last AGM held on 2 December 2022 and which will lapse at the conclusion of the 99th AGM. The Renewed General Mandate will enable the Directors to take swift action in case of, inter alia, a need for corporate exercises or in the event business opportunities or other circumstances arise which involve the issuance and allotment of new Shares, grant of rights to subscribe for Shares, conversion of any security into Shares, or allotment of Shares under an agreement or option or offer, and to avoid delay and cost in convening general meetings to approve the same.

   Please refer Section 85(1) of the Act and Clause 50 of the Company's Constitution as detailed below.

4. **Resolutions 6 to 8 – Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

   The proposed Ordinary Resolutions, if passed, will empower the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Company and its subsidiaries, subject to the transactions being in the ordinary course of business and on terms which are not more favourable to the related parties than those generally available to and/or from the public and are not, in the Company's opinion, detrimental to the minority shareholders of the Company ("Proposed Shareholders' Mandate").

5. **Resolution 9 – Proposed Renewal of Authority for the Purchase of Own Shares by the Company**

   The proposed Ordinary Resolution, if passed, will empower the Directors to exercise the power of the Company to purchase its own shares ("Proposed Share Buyback") up to 10% of the total number of issued shares of the Company by utilising its financial resources not immediately required. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

6. **Resolution 10 – Proposed Allocation Of Options And/Or Grants To The Managing Director Of the Company ("Proposed Allocation") and Waiver of Pre-emptive Rights**

The proposed Ordinary Resolution, if passed, will allow the Directors of the Company to offer to Puan Noorbaizura binti Hermeyney, who was appointed as the Managing Director of the Company on 18 May 2023, of up to 7,000,000 Shares, comprised in the options and/or grants under the ESS, or 10% of the Maximum Aggregate (as defined in the Bye-Laws of the ESS), whichever is higher, provided that not more than 10% of the Maximum Aggregate are allotted to her if she, either singly or collectively through persons connected with her, holds 20% or more of the total number of issued Shares (excluding treasury Shares). The Maximum Aggregate being defined in the Bye-Laws of the ESS as an amount equivalent to 10% of the total number of issued Shares (excluding treasury shares) at any one time. The Proposed Allocation is part of the Company's efforts to retain, motivate and reward Puan Noorbaizura with an equity stake in the success of the Group.

The ESS, comprising options under an executive share option scheme ("ESOS") and grants under an executive share grant scheme ("ESGS"), was implemented on 9 December 2022 and is governed by the Bye-Laws and will expire on 8 December 2032.

The option price to subscribe for/purchase such number of Shares under the ESOS to be determined shall not be at a discount of more than 10% (or such discount as the relevant authorities shall permit) from the 5-day weighted average market price of the Shares preceding the date of offer. Shares offered under the ESGS will not require any consideration to be payable.

Puan Noorbaizura is deemed interested in the Proposed Allocation. Accordingly, she will abstain from voting, in respect of her direct and/or indirect shareholdings in the Company, if any, on the proposed ordinary resolution in relation to the Proposed Allocation at the 99th AGM of the Company. Puan Noorbaizura will also ensure that persons connected with her will abstain from voting in respect of their direct and/or indirect shareholdings in the Company, if any, on the proposed ordinary resolution in relation to the Proposed Allocation. Save as disclosed, none of the Directors and major shareholders of the Company and/or persons connected with them, has any interest, direct or indirect, in the Proposed Allocation.

Please refer Section 85(1) of the Act and Clause 50 of the Company's Constitution as detailed below.

Details of Section 85(1) of the Act and Clause 50 of the Company's Constitution

Pursuant to Section 85(1) of the Act read together with Clause 50 of the Company's Constitution, shareholders have pre-emptive rights to be offered any new Shares in the Company which rank equally to the existing issued Shares or other convertible securities.

Section 85(1) of the Act provides as follows:

"85. Pre-emptive rights to new shares

(1) Subject to the constitution, where a company issues shares which rank equally to existing shares as to voting or distribution rights, those shares shall first be offered to the holders of existing shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders."

Clause 50 of the Company's Constitution provides as follows:

"50. Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares or other convertible securities, shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled...

Subject to the provisions of this Constitution, the Directors may recognise a renunciation of any share by the allottee thereof in favour of some other person."

In order for the Board to issue any new Shares or other convertible securities free of pre-emptive rights, such pre-emptive rights must be waived. The proposed ordinary resolutions, if passed, will exclude your pre-emptive rights over all new Shares, options over or grant of new Shares or any other convertible securities in the Company and/or any new Shares to be issued pursuant to such options, grants or other convertible securities under the Authority To Directors To Allot Shares, and pre-emptive rights over options or grants offered or to be offered pursuant to the Proposed Allocation and/or any new Shares to be issued by the Company pursuant to the Proposed Allocation.

Detailed information on the Proposed Shareholders' Mandate and Proposed Share Buyback are set out in the Circular to Shareholders dated 12 October 2023 which is available on the Company's website at https://guocoland.com.my/investor-relations.

STATEMENT ACCOMPANYING
NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

1. Details of individuals who are standing for election as Directors

No individual is seeking election as a Director at the Ninety-ninth Annual General Meeting of the Company.

2. Statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

Details of the general mandate to allot shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 are set out in Explanatory Note 3 of the Notice of the Ninety-ninth Annual General Meeting.

GuocoLand (Malaysia) Berhad (192001000022 (300-K))

A Member of the Hong Leong Group

FORM OF PROXY

I/We _____

NRIC/Passport/Company No. _____

of _____

Tel No. _____ Email Address _____

being a member of **GuocoLand (Malaysia) Berhad** ("Company"), hereby appoint _____

_____

NRIC/Passport No. _____

of _____

Tel No. _____ Email Address _____

or failing him/her, _____

NRIC/Passport No. _____

of _____

Tel No. _____ Email Address _____

or failing him/her, the Chairman of the meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the Ninety-ninth Annual General Meeting of the Company to be held at Wau Bulan Ballroom, Level 2, Sofitel Kuala Lumpur Damansara, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur on Friday, 10 November 2023 at 3.00 p.m. and at any adjournment thereof.

My/Our proxy/proxies is/are to vote on a poll as indicated below with an "X":

NO.	RESOLUTIONS	FOR	AGAINST
1.	To approve the payment of Director Fees and Directors' Other Benefits		
2.	To re-elect Puan Noorbaizura binti Hermeyney as a Director		
3.	To re-elect Mr Peter Ho Kok Wai as a Director		
4.	To re-appoint Ernst & Young PLT as Auditors and authorise the Directors to fix their remuneration		
	Special Business		
5.	To approve the ordinary resolution on authority to Directors to allot shares and waiver of pre-emptive rights		
6.	To approve the ordinary resolution on the proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature with Hong Leong Company (Malaysia) Berhad ("HLCM"), GuoLine Capital Assets Limited ("GCA") and persons connected with HLCM and GCA		
7.	To approve the ordinary resolution on the proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature with the Directors and major shareholders of the Company and persons connected with them		
8.	To approve the ordinary resolution on the proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature with Tower Real Estate Investment Trust		
9.	To approve the ordinary resolution on the proposed renewal of authority for the purchase of own shares by the Company		
10.	To approve the ordinary resolution on the proposed allocation of options and/or grants to the Managing Director of the Company and waiver of pre-emptive rights		

Dated this _____ day of _____ 2023

Number of shares held: _____ Signature(s) of Member : _____

CDS Account No. : _____

Fold This Flap For Sealing

Then Fold Here

Affix
Stamp

The Company Secretaries
GuocoLand (Malaysia) Berhad (192001000022 (300-K))
Level 32, Menara Hong Leong
No. 6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur
Malaysia

1st Fold Here

NOTES:

1. For the purpose of determining members' eligibility to attend this meeting, only members whose names appear in the Record of Depositors as at 31 October 2023 shall be entitled to attend this meeting or appoint proxy(ies) to attend and vote on their behalf.
2. If you wish to appoint other person(s) to be your proxy, insert the name(s) and address(es) of the person(s) desired in the space so provided.
3. If there is no indication as to how you wish your vote(s) to be cast, the proxy will vote or abstain from voting at his/her discretion.
4. A proxy may but need not be a member of the Company.
5. Save for a member who is an exempt authorised nominee, a member shall not be entitled to appoint more than two (2) proxies to attend, participate, speak and vote at the same meeting. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. A member who is an exempt authorised nominee for multiple beneficial owners in one securities account ("Omnibus Account") may appoint any number of proxies in respect of the Omnibus Account.
6. Where two (2) or more proxies are appointed, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies, failing which, the appointments shall be invalid (please see note 9 below).
7. In the case where a member is a corporation, this Form of Proxy must be executed under its Common Seal or under the hand of its Attorney.
8. All Forms of Proxy must be duly executed and deposited at the Registered Office of the Company at Level 32, Menara Hong Leong, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur or lodged electronically via email at cosec-glm@guocoland.com, not less than 48 hours before the time appointed for holding of the meeting or adjourned meeting.
9. In the event two (2) or more proxies are appointed, please fill in the ensuing section:

Name of Proxies	% of shareholdings to be represented

10. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the Ninety-ninth Annual General Meeting will be put to a vote by way of a poll.

GuocoLand (Malaysia) Berhad (192001000022 (300-K))

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