BinaPuri Holdings Bhd
SINCE 1975
199001015515(207184-X)

MALAYSIA'S LANDMARK BUILDER **SINCE 1975**

RADIANT WITH RESILIENCE

ANNUAL REPORT **2023**

Cover Rationale

Featuring a gradient of warm colors, the Annual Report 2023 of Bina Puri Holdings Bhd ("Bina Puri") showcases the company's radiance and resilience. The colors range from yellow to orange to blue, representing the company's spectrum of achievements, challenges and opportunities. The gradient also creates a sense of movement and dynamism, reflecting the company's adaptability and growth. The logo and tagline of the company are also displayed, reflecting its vision and mission to be a leading construction and property development company in Malaysia and beyond. The design aims to convey the company's positivity, energy and passion in overcoming the challenges and achieving its strategic goals for the future.

Inside This Report

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Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Thirty-Second Annual General Meeting ("**32nd AGM**") of the Company will be conducted on a fully virtual basis and entirely via remote participation and electronic voting via online meeting platform at tiih online website at https://tiih.online provided by Tricor Investor & Issuing House Services Sdn. Bhd. from broadcast venue at Tricor Business Centre, Manuka 2 & 3 Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur on Tuesday, 12 December 2023 at 11.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 June 2023 together with the Reports of the Directors and Auditors thereon. **Please refer to Explanatory Note to Ordinary Business**

2. To re-elect the following Directors who retire pursuant to Clause 87 of the Company's Constitution:

    a. Dr. Tan Cheng Kiat **Ordinary Resolution 1**
    b. Tan Sri Datuk Tee Hock Seng, JP **Ordinary Resolution 2**

3. To re-elect the following Directors who retire pursuant to Clause 94 of the Company's Constitution:

    a. Datuk Amar Jaul Anak Samion **Ordinary Resolution 3**
    b. Ir Azman Bin Bujang **Ordinary Resolution 4**
    c. Lee Hui Zien **Ordinary Resolution 5**
    d. Chai Chan Tong **Ordinary Resolution 6**
    e. Ooi Hee Kah **Ordinary Resolution 7**
    f. Chee Su Kyun **Ordinary Resolution 8**

4. To approve the payment of Directors' fees up to RM550,000 from 32nd AGM up to the conclusion of the 33rd Annual General Meeting ("**AGM**"). **Ordinary Resolution 9**

5. To re-appoint Messrs UHY as Auditors of the Company and to hold office until the conclusion of the next AGM at such remuneration to be determined by the Directors of the Company. **Ordinary Resolution 10**

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions:-

6. Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016 **Ordinary Resolution 11**

    "THAT pursuant to Sections 75 and 76 of the Companies Act 2016 ("**the Act**") and subject to the approvals of the relevant governmental/ regulatory authorities, the Directors be and are hereby empowered to issue shares in the capital of the Company from time to time and upon such terms and conditions and for such purposes as the Directors, may in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being and that the Directors be and are hereby also empowered to obtain approval from the Bursa Malaysia Securities Berhad ("**Bursa Securities**") for the listing and quotation of the additional shares so issued and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.

Notice of Annual General Meeting (cont'd)

AND THAT in connection with the above, pursuant to Section 85(1) of the Companies Act 2016 read together with Clause 55 of the Company's Constitution, the shareholders of the Company by approving this resolution are deemed to have waived 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."

7. Proposed Renewal of Authority for the Company to Purchase its own Shares ("**Proposed Renewal of Share Buy-Back Authority**") **Ordinary Resolution 12**

"THAT subject to the Act, the provisions of the Constitution of the Company, the Main Market Listing Requirements of Bursa Securities and the approvals of all relevant governmental and/or regulatory authorities, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:-

i) the aggregate number of shares purchased or held as treasury shares does not exceed 10% of the total number of issued and paid-up shares of the Company as quoted on Bursa Securities as at the point of purchase;

ii) the maximum fund to be allocated by the Company for the purpose of purchasing the shares be backed by an equivalent amount of retained profits; and

iii) the Directors of the Company may decide either to retain the shares purchased as treasury shares, or cancel the shares, or retain part of the shares so purchased as treasury shares and cancel the remainder, or resell the shares, or transfer the shares or distribute the shares as dividends;

AND THAT the authority conferred by this resolution will commence after the passing of this ordinary resolution and will continue to be in force until:

i) the conclusion of the next AGM at which time it shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or

ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or

iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first.

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 with full power to assent to any condition, modification, variation and/or amendment as may be imposed by the relevant authorities and to take all such steps as they may deem necessary or expedient in order to implement, finalise and give full effect in relation thereto."

Notice of Annual General Meeting (cont'd)

8. To transact any other business of which due notice shall have been given.

BY ORDER OF THE BOARD

TAN TONG LANG (MAICSA 7045482) (SSM PC No. 202208000250)
ANG WEE MIN (MAICSA 7076022) (SSM PC No. 202208000334)
Company Secretaries

Kuala Lumpur
Dated: 31 October 2023

Notes:

1. Please refer to the Administrative Guide for the procedures to register and participate in the virtual meeting. Shareholders will not be allowed to attend the 32nd AGM in person at the Broadcast Venue on the day of the meeting.

2. A Member holding one thousand (1,000) ordinary shares or less may appoint only one (1) proxy to attend and vote instead of him at a general meeting who shall represent all the shares held by such Member, and where a Member holding more than one thousand (1,000) ordinary shares may appoint more than one (1) proxy but not more than two (2) proxies to attend and vote instead of him at the same meeting who shall represent all the shares held by such Member.

3. Where the Member of the Company appoints more than one (1) proxy but not more than two (2) proxies, the Member shall specify the proportion of his shareholdings to be represented by each proxy.

4. Where a Member is an authorised nominee as defined under the Central Depositories Act, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.

5. The instrument appointing a proxy shall be in writing under the hand of appointor or of his attorney duly authorized in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.

6. The instrument appointing a proxy must be completed and deposited at the office of the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting (or in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll). Individual shareholders can also have the option to submit the proxy appointment electronically via TIIH online at website https://tiih.online before the proxy form submission cut-off time as mentioned in the above. For further information on the electronic submission of proxy form, kindly refer to the Administrative Guide.

7. If you have submitted your Form of Proxy and subsequently decide to appoint another person or wish to participate in the 32nd AGM by yourself, please contact the Company's Share Registrar to revoke the earlier appointed proxy forty-eight (48) hours before this meeting.

8. Only members whose names appear in the Record of Depositors as at 5 December 2023 shall be eligible to attend the 32nd AGM or appointed proxy(ies) to attend and vote on his/her behalf.

9. All the resolutions set out in this Notice of 32nd AGM shall be put to vote by poll.

Notice of Annual General Meeting (cont'd)

Explanatory Notes to Ordinary Business:

1. **Agenda Item 1 – Audited Financial Statements for the financial year ended 30 June 2023**

   The Audited Financial Statements is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a former approval from shareholders. Hence, this item will not be put forward for voting.

2. **Ordinary Resolutions 1 to 8 – Re-election of Directors who retire pursuant to Clause 87 and Clause 94 of the Company's Constitution**

   The following Directors who are standing for re-election as Directors of the Company pursuant to the Company's Constitution at the 32nd AGM of the Company and are being eligible have offered themselves for re-election in accordance with the Company's Constitution:-

   a. Dr. Tan Cheng Kiat (Clause 87)
   b. Tan Sri Datuk Tee Hock Seng, JP (Clause 87)
   c. Datuk Amar Jaul Anak Samion (Clause 94)
   d. Ir Azman Bin Bujang (Clause 94)
   e. Lee Hui Zien (Clause 94)
   f. Chai Chan Tong (Clause 94)
   g. Ooi Hee Kah (Clause 94)
   h. Chee Su Kyun (Clause 94)

   (collectively referred to as "Retiring Directors")

   The Board of Directors through the Nominating Committee has deliberated on the suitability of the Retiring Directors to be re-elected as Directors. Upon deliberation, the Board (except for the respective Director concerned) collectively agreed that the Retiring Directors meet the criteria of character, experience, integrity, competence and time commitment to effectively discharge their respective roles as Directors of the Company and recommended the Retiring Directors be re-elected as the Directors of the Company.

3. **Ordinary Resolution 9 – Payment of Directors' Fees**

   Pursuant to Section 230(1) of the Companies Act 2016, that the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

   This resolution is to facilitate payment of Directors' fees for the current financial year basis. In the event the Directors' fees proposed is insufficient (e.g. due to the enlarged Board size), approval will be sought at the next Annual General Meeting for additional fees to meet the shortfall.

Explanatory Notes to Special Business:

4. **Ordinary Resolution 11 - Authority to Allot and Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016**

   The proposed Ordinary Resolution 11 if passed, is a renewal of general mandate to empower the Directors to issue and allot shares up to an amount not exceeding 10% of the total number of issued shares of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM.

   The general mandate will provide flexibility to the Company for any possible fund-raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s) workings capital and/or acquisitions at any time without convening a general meeting as it would be both costs and time consuming to organise a general meeting.

Notice of Annual General Meeting (cont'd)

The general mandate granted to the Directors at the 31st AGM held on 5 December 2022 was not utilised and accordingly no proceeds were raised.

Pursuant to Section 85 of the Act read together with Clause 55 of the Constitution of the Company, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company 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 issue 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 55 of the Constitution of the Company provides as follows:

"55. Subject to any direction to the contrary that may be given by the Company in general meeting, any 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. The offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the Directors may dispose of those shares or securities in such manner as they think most beneficial to the Company. The Directors may likewise also dispose of any new shares or securities which (by reason of the ratio which the new shares or securities bear to shares of securities held by persons entitled to an offer of new shares or securities) cannot, in the opinion of the Directors, be conveniently offered under this Clause."

The proposed Ordinary Resolution 11, if passed, will exclude your pre-emptive right to be offered new shares and/or convertible securities to be issued by the Company pursuant to the said Ordinary Resolution.

5. **Ordinary Resolution 12 – Proposed Renewal of Share Buy-Back Authority**

The proposed Ordinary Resolution 12 is a renewal generate mandate and if passed, will allow the Directors of the Company to exercise the power of the Company to purchase not more than ten percent (10%) of the total number of issued shares of the Company at any time within the time period stipulated in the Main Market Listing Requirements. This authority, unless revoked or varied by the Company at a general meeting, shall continue to be in full force until the conclusion of the next AGM of the Company.

Further details are set out in the Statement to Shareholders dated 31 October 2023.

Statement Accompanying Notice of Annual General Meeting

Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Securities:-

1. **Details of individual who are standing for election as Directors (excluding Directors for re-election).**

   No individual is seeking election as a Director at the 32nd AGM of the Company.

2. **General mandate for issue of securities in accordance with Paragraph 6.03 of the Main Market Listing Requirements of Bursa Securities.**

   The details of the proposed authority for Directors of the Company to issue shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 is set out under Explanatory Note.

Group Corporate Structure

BinaPuri SINCE 1975 Holdings Bhd
199001015515(207184-X)

Construction Division

Bina Puri Sdn. Bhd.	197501001598 (23296-X)	100%
Bina Puri Construction Sdn. Bhd.	198901004164 (181471-P)	100%
Bina Puri Builder Sdn. Bhd.	198201005896 (85650-M)	100%
Puri Residences Management Sdn. Bhd.	200401017538 (656041-T)	100%
Bina Puri Perkasa Sdn. Bhd.	202301023217 (1517140-K)	70%

Manufacturing/ Quarry Division

Bina Puri Juara Sdn. Bhd.	200401028206 (666714-H)	100%
Bina Puri Ventures Sdn. Bhd.	198301012605 (107999-M)	100%

Property Development Division

Gugusan Murni Sdn. Bhd.	199101021060 (231371-T)	100%
Aksi Bina Puri Sdn. Bhd.	199701010804 (426300-V)	60%
Bina Puri Properties Sdn. Bhd.	199201014654 (246157-M)	100%
Bina Puri Amat Aramak Sdn. Bhd.	199701037855 (453355-P)	50%
Bina Puri Amat Aramak Properties Sdn. Bhd.	199101002362 (212673-H)	50%

Toll Concession

KL-Kuala Selangor Expressway Bhd.	199601037528 (409881-W)	50%

Other Activities

Maskimi Venture Sdn. Bhd.	199601005091 (377437-V)	100%
BP Energy Sdn. Bhd.	201101012560 (940700-V)	100%
Bina Puri Power Sdn. Bhd.	199301005696 (260433-H)	100%
BP Realty Sdn. Bhd. (formerly known as BP Hydro Sdn. Bhd.)	202001038744 (1395065-H)	100%

International Ventures

Bina Puri Infrastructure Pte. Ltd.		100%
Bina Puri Cambodia Ltd.		100%
Bina Puri Pakistan (Private) Ltd.	(0062406)	99.97%
Bina Puri (B) Sdn. Bhd.	(RC/00006344)	80%
Bina Puri Properties (B) Sdn. Bhd.	(RC/00008071)	90%
Bina Puri Saudi Co. Ltd.	(1010221761)	50%
Bina Puri Holdings (Thailand) Ltd.	(0105547046786)	49%
Binapuri Lao Co. Ltd.		5%

Group Corporate Structure (cont'd)

- Binapuri Lao Co. Ltd. — 95%
- Latar Project Management Sdn. Bhd. 199601037043 (409396-U) — 60%
- Chun Yang Bina Puri (JV) Sdn. Bhd. 202301005776 (1499695-A) — 49%

- Easy Mix Sdn. Bhd. 199201010714 (242217-D) — 100%
- Bina Puri Mining Sdn. Bhd. 199201019303 (250807-M) — 100%
- BP Solar Sdn. Bhd 199501003121 (332315-X) — 100%
- KM Quarry Sdn. Bhd. 199601037044 (409397-V) — 70%
- Sungai Long Industries Sdn. Bhd. 199001007085 (198655-D) — 51%
- Bina Puri Sentosa Ventures Sdn. Bhd. 201201018528 (1004041-A) — 50%
- Dimara Building System Sdn. Bhd. 200201025990 (593653-T) — 30%
- Maskimi Polyol Sdn. Bhd. 199601033207 (405559-D) — 100%

- Semarak Semerah Sdn. Bhd. 199201013477 (244980-X) — 100%
  - Star Effort Sdn. Bhd. 200601008956 (728706-A) — 95%
- Karak Land Sdn. Bhd. 200901026928 (870030-X) — 70%
  - Karak Spring Sdn. Bhd. 199201014002 (245505-V) — 50%
- Sumbangan Lagenda Sdn. Bhd. 200001025313 (527920-U) — 60%
  - T8 Gym Sdn. Bhd. (formerly known as Sumbangan Lagenda (DLL Mall) Sdn. Bhd.) 202301003011 (1496930-P) — 100%
  - Legasi Properties Sdn. Bhd. (formerly known as Sumbangan Lagenda (T8 Fasiliti) Sdn. Bhd.) 202301003014 (1496933-T) — 100%
- Ascotville Development Sdn. Bhd. 200901036948 (880077-D) — 100%
- BP XA Sdn. Bhd. 201801028022 (1290048-V) — 50%
- BP S14 Sdn. Bhd. 202001002076 (1358395-V) — 100%
- BP Healthcare Development Sdn. Bhd. 202001000745 (1357064-W) — 100%
- Ideal Heights Properties Sdn. Bhd. 198401015146 (127701-D) — 56.5%
  - Ideal Heights Sdn. Bhd. 198801009287 (176644-M) — 100%
  - Ideal Heights Property Management Sdn. Bhd. 200501010332 (687379-P) — 100%
  - Ideal Heights Development Sdn. Bhd. 200101017446 (553203-T) — 70%
    - Imperium Residence Property Management Sdn. Bhd. 201801020724 (1282743-V) — 100%
  - The Waterfront Sdn. Bhd. 201201031635 (1016122-U) — 70%
- Bina Puri Properties (B) Sdn. Bhd. (RC/00008071) — 10%

- PT. Megapower Makmur Tbk. (8120119001382) — 44.8%
- Serambi Idaman Sdn. Bhd. 201101029503 (957638-K) — 10%

- Bina Puri (B) Sdn. Bhd. (RC/00006344) — 10%

- Bina Puri (Thailand) Ltd. (0105547057486) — 51%

Corporate Information

BOARD OF DIRECTORS

Datuk Amar Jaul Anak Samion
Chairman/Independent Non-Executive Director

Tan Sri Datuk Tee Hock Seng, JP
Deputy Executive Chairman

Dr. Tony Tan Cheng Kiat
Founder Director

Chai Chan Tong
Group Managing Director/Group Chief Executive Officer

Datuk Matthew Tee Kai Woon
Group Executive Director

Ooi Hee Kah
Executive Director

Chee Su Kyun
Independent Non-Executive Director

Ir. Azman Bin Bujang
Independent Non-Executive Director

Lee Hui Zien
Independent Non-Executive Director

BOARD COMMITTEES

Group Executive Committee
Chairman
Tan Sri Datuk Tee Hock Seng, JP
Member
Dr. Tony Tan Cheng Kiat
Datuk Matthew Tee Kai Woon
Chai Chan Tong
Ooi Hee Kah

Audit Committee
Chairman
Chee Su Kyun
Member
Ir. Azman Bin Bujang
Lee Hui Zien

Nominating Committee
Chairman
Chee Su Kyun
Member
Ir. Azman Bin Bujang
Lee Hui Zien

Remuneration Committee
Chairman
Chee Su Kyun
Member
Tan Sri Datuk Tee Hock Seng, JP
Ir. Azman Bin Bujang
Lee Hui Zien

GROUP COMPANY SECRETARIES

Tan Tong Lang
SSM PC No. 202208000250
& MAICSA 7045482
Ang Wee Min
SSM PC No. 202208000334
& MAICSA 7076022

REGISTERED OFFICE

Wisma Bina Puri
88, Jalan Bukit Idaman 8/1
Bukit Idaman, 68100 Selayang
Selangor Darul Ehsan
Tel :+603 6136 3333
Fax :+603 6136 9999
Email :corpcomm@binapuri.com.my
Website :http://www.binapuri.com.my

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn. Bhd.
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South, No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel :+603 2783 9299
Fax :+603 2783 9222
Email :is.enquiry@my.tricorglobal.com

AUDITORS

MESSRS. UHY
Chartered Accountants
Suite 11.05, Level 11
The Gardens South Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Tel :+603 2279 3088
Fax :+603 2279 3099

PRINCIPLE BANKERS

Bangkok Bank Berhad
Malayan Banking Berhad
United Overseas Bank (Malaysia) Berhad
Alliance Bank Malaysia Berhad
MBSB Bank Berhad
AmBank (M) Berhad

STOCK EXCHANGE LISTING

The Main Board of Bursa Malaysia Securities Berhad
Stock Name : **BPuri**
Stock Code : **5932**
Listing Date : **6 January 1995**

Board of Directors

Datuk Amar Jaul Anak Samion

Chairman/Independent Non-Executive Director

Age
65 years

Gender
Male

Nationality
Malaysian

Datuk Amar Jaul Anak Samion, Malaysian, aged 65, was appointed to the Board on 1 July 2023. He holds a Master in Business Administration from Ohio University.

A retired civil servant, Datuk Amar Jaul Samion was the Sarawak State Secretary, the highest-ranking civil servant in Sarawak from 2019 to 2022.

Having served more than 42 years as a career civil servant, he held many important positions in various capacities, including as Permanent Secretary of various ministries, and central bodies such as Sarawak Economic Planning Unit, State Financial Secretary's Office and others.

He was the Chairman of various Statutory Bodies and Government-Linked Companies such as Sarawak Biodiversity Council (SBC), Sarawak Development Institute (SDI), Leadership Institute of Sarawak Civil Service (LISCS), Sarawak Incorporated Sdn Bhd (SI), Samalaju Port Authority (SPA), Sarawak Waste Management Sdn Bhd (SWM); and Board Member of Sarawak Timber Industry Development Corporation (STIDC), Sarawak Economic Development Corporation (SEDC), Regional Corridor Development Authority (RECODA), Sarawak Multimedia Authority (SMA), Sarawak Information System (SAINS), Permodalan ASSAR Sdn Bhd, among others.

Currently, he is the Chairman of Swinburne University of Technology Sarawak.

At the Federal level, he had served as Board of Director of Employees Provident Fund (EPF), Malaysian Palm Oil Board (MPOB), Malaysian Pepper Board (MPB), Malaysia Cocoa Board (MCB), Pertubuhan Peladang Kebangsaan (NAFAS), among others, as Sarawak Government representative.

He was an active member of the Majlis Khas on Malaysia Agreement 1963 (MA63), chaired by the YAB Prime Minister. He had also represented Sarawak/Malaysia on human rights matters in the United Nations.

Currently, he is an Advisor in the Sarawak Premier's Office.

Datuk Amar Jaul Anak Samion is not related to any Directors or major shareholders of the Company. He does not have any conflict of interest in any business arrangement involving the company or its subsidiaries.

Tan Sri Datuk Tee Hock Seng, JP

Deputy Executive Chairman

Age
74 years

Gender
Male

Nationality
Malaysian

Tan Sri Datuk Tee Hock Seng, JP, was appointed to the Board on 5 November 1990 and was subsequently appointed as the Group Managing Director on 22 November 1994. He was redesignated as Deputy Executive Chairman on 18 October 2023.

He is an experienced entrepreneur with more than 47 years business acumen in trading, construction and development. He is responsible for the the day-to-day operations of the Group.

Current Portfolios:

- Board of Trustee of Perdana Leadership Foundation
- EXCO member of Malaysia South-South Association
- Director of Malaysian South-South Corporation Bhd
- Honorary Chairman of The Chinese Chamber of Commerce & Industry of KL & Selangor
- Honorary Chairman of the Malaysia Quarries Association
- Executive Advisor of Selangor & Federal Territory Builder Association
- Honorary Chairman of The International Fellowship of Eng Choon Associates
- Life Honorable President of The Federation of Hokkien Association of Malaysia
- Advisor of The Associated Eng Choon Societies of Malaysia
- Honorary Chairman of The Federation of Xing Yang Associations of Malaysia
- Director of the Chinese Maternity Hospital (CMH)
- Board of Trustee cum Exco Member of Selangor King George V Silver Jubilee Fund
- Chairman, Board of Governors of SMJK Confucian and SRJK (C) Onpong II, KL
- Honorary Chairman, Board of Governors of SJK(C) Tsun Jin
- Honorary Chairman of the Young Malaysians Movement and The Federation of Malaysian Clans & Guilds Association

Board of Directors (cont'd)

Tan Sri Datuk Tee Hock Seng, JP (cont'd)

Past Portfolios:

- Member of the Senate (Ahli Dewan Negara), Parliament of Malaysia (2008-2011)
- Treasurer-General of Malaysian Chinese Association (MCA) (2008-2010)
- Board Member of MiGHT (Malaysian Industry-Government Group for High Technology) (1993-2003)
- Vice President & Treasurer-General, Master Builders Association Malaysia (MBAM) (1992-2007)

Notable Achievements/Awards:

- "Master Builders' Silver Award" by Master Builders Association Malaysia (MBAM) in 2001
- "Service to New Generations Award" by the Rotary Club of Pudu in 2004
- "SMI Platinum Award" by SME Association of Malaysia (SME) in 2004
- "Most Prominent Player" by the Construction Industry Development Board in 2005
- The 2nd Malaysia & Golden Entrepreneur Award "Lifetime Achievement Award" by FMCGA (The Federation of Malaysia Chinese Guilds Association) in 2015
- "Award of Honorary Fellowship" by The International College of Dentists (ICD) in 2016
- "Malaysian Fujian Outstanding Entrepreneur Award" by The Federation of Hokkien Association Malaysia in 2017
- "IFAWPCA-Atsumi Award" at the 44th International Federation of Asian and Western Pacific Contractors' Associations (IFAWPCA) in 2018
- "Honorary Builder Award" by the Master Builders Association Malaysia (MBAM) in 2019

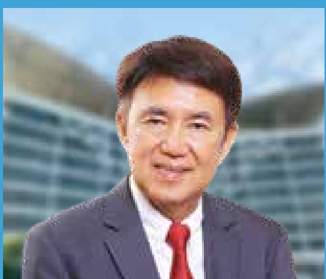
Except for recurrent related party transactions of a revenue or trading nature which are necessary for day-to-day operations of the Company and its subsidiaries and for which he is deemed to be interested as disclosed on page 233 of the Annual Report, there are no other business arrangements with the Company in which he has personal interests.

Save as disclosed above, he does not have any conflict of interest in any arrangement involving the company or its subsidiaries.

i) Tan Sri Datuk Tee Hock Seng, JP is the father of Datuk Matthew Tee Kai Woon.

ii) Tan Sri Datuk Tee Hock Seng, JP is the nephew of Dr Tony Tan Cheng Kiat.

He is also the Chairman of the Group Executive Committee and a member of the Remuneration Committee.



Dr. Tony Tan Cheng Kiat

Founder Director

Age
75 years

Gender
Male

Nationality
Malaysian

Dr Tony Tan Cheng Kiat, founded Bina Puri Sdn. Bhd. in 1975 and has been the Executive Chairman since its inception. He was appointed to the Board of the Company on 5 November 1990. He is responsible for the growth and ongoing development of the company's business.

He was instrumental in the development of a number of major projects throughout Malaysia for the Group. He holds a doctorate in Business Administration and is also a licensed builder. He has been successful as a private property developer in Australia. With his wide experience, he has brought much progress to the Group.

Except for recurrent related party transactions of a revenue or trading nature which are necessary for day-to-day operations of the Company and its subsidiaries and for which he is deemed to be interested as disclosed on page 232 of the Annual Report, there are no other business arrangements with the Company in which he has personal interests.

Save as disclosed above, he does not have any conflict of interest in any arrangement involving the company or its subsidiaries.

i) Dr Tony Tan Cheng Kiat is the uncle of Tan Sri Datuk Tee Hock Seng, JP

ii) Dr Tony Tan Cheng Kiat is the grand uncle of Datuk Matthew Tee Kai Woon

Dr Tony Tan Cheng Kiat is a member of the Group Executive Committee.

Board of Directors (cont'd)

Chai Chan Tong
Group Managing Director/
Group Chief Executive Officer

Age
35 years

Gender
Male

Nationality
Malaysian

Chai Chan Tong, Malaysian, aged 35, was appointed as Executive Director of the Company on 19 January 2023. He was redesignated as Group Managing Director cum Group Chief Executive Officer on 18 October 2023.

Chai came from a humble background and his fortunes started to change when he seized the opportunity to pursue his first property development business in Kuching. He is an entrepreneur and has more than 10 years' experience in the construction industry, property development and management as well as trading businesses.

His flagship property development group comprising Oakwood Group and Oakwood Development are established property development companies specialising in the creation of high-quality new homes in prime locations across Kuching, Kota Samarahan and Matang, Sarawak, with a cumulative gross development value (GDV) of RM1.272 billion as of to-date.

He is a founder and owner of Choon Eng (Sarawak) Sdn Bhd and CE Freight Sdn Bhd, specialising in trading petroleum and petrochemical products and freight business respectively.

He is a member of the Group Executive Committee.

He is not related to any Directors or major shareholders of the Company. He does not have any conflict of interest in any business arrangement involving the company or its subsidiaries.

Datuk Matthew Tee Kai Woon
Group Executive Director

Age
48 years

Gender
Male

Nationality
Malaysian

Datuk Matthew Tee Kai Woon, joined the Company in December 2003 as Special Assistant to the Group Managing Director. He was appointed as Executive Director on 1 December 2009 and was re-designated as Group Executive Director on 7 March 2013.

He is a Chartered Accountant and holds a Bachelor of Commerce (Accounting and Marketing) from the University of Auckland, New Zealand. He has been a member of the Malaysian Institute of Accountants (MIA) since 2002 and was duly awarded the status, Fellow Certified Practising Accountant (FCPA) by CPA Australia in March 2016. He is also a Certified Financial Planner (Financial Planning Association of Malaysia).

Previously, he was the Administrator of the Chinese Maternity Hospital from 2001 to 2003 and was once attached to PricewaterhouseCoopers in the audit department from 1999 to 2001. He was also a Business Services Accountant with Marsden B. Robinson Chartered Accountants (New Zealand) from 1998 to 1999.

On 24 January 2017 and 1 June 2023, he was appointed as an Independent Non-Executive Director of Chin Teck Plantations Berhad and Negri Sembilan Oil Palms Berhad respectively. He also holds directorships in other companies.

Current Portfolios:
- Honorary Advisor of Master Builders Association of Malaysia (MBAM) from 2020-2024
- Honorary Treasurer General of Malaysian Steel Structural Association (MSSA) since 2011
- Board Member of Malaysian Industry Government Group for High Technology (MIGHT) and Chairman of Board Audit Committee

Past Portfolios:
- President of Master Builders Association of Malaysia (MBAM) from 2012-2016
- Member of National Science Council (NSC) from 2016-2017
- Board of Advisory of Construction Labour Exchange Centre Berhad (CLAB) from 2016-2022

Board of Directors (cont'd)

Datuk Matthew Tee Kai Woon (cont'd)

Past Portfolios (cont'd):

- Board Member of Construction Industry Development Board Malaysia (CIDB) from 2013-2016
- Council Member of the Road Engineering Association of Malaysia (REAM) from 2017-2019
- 44th President of the International Federation of Asian and Western Pacific Contractors' Associations (IFAWPCA) from 2017-2018
- Member of the Advisory Committee on Hotel and Tourism Management by the Chinese University of Hong Kong (CUHK) from 2017-2020

Notable Achievements/Awards:

- "Property CEO" by FIABCI Malaysia Property Award 2018
- MBAM Silver Award by Master Builders Association of Malaysia (MBAM) in 2023

Except for recurrent related party transactions of a revenue or trading nature which are necessary for day-today operations of the Company and its subsidiaries and for which he is deemed to be interested as disclosed on page 232 of the Annual Report, there are no other business arrangements with the Company in which he has personal interests.

Save as disclosed above, he does not have any conflict of interest in any arrangement involving the company or its subsidiaries.

i) Tan Sri Datuk Tee Hock Seng, JP is the father of Datuk Matthew Tee Kai Woon.

ii) Dr Tony Tan Cheng Kiat is the grand uncle of Datuk Matthew Tee Kai Woon.

He is also a member of the Group Executive Committee.

Ooi Hee Kah

Executive Director

Age
29 years

Gender
Male

Nationality
Malaysian

Ooi Hee Kah, Malaysian, aged 29, was appointed as Executive Director of the Company on 19 January 2023. He graduated with a Bachelor of Computer Science from the University of Nottingham, United Kingdom in 2016.

He is currently a Project Coordinator and has more than 3 years' experience in project coordination and management of the civil and structural engineering design works.

Previously, he was also involved in the information technology industry and was a solutions developer after his graduation.

He is a member of the Group Executive Committee.

He is not related to any Directors or major shareholders of the Company. He does not have any conflict of interest in any business arrangement involving the company or its subsidiaries.

Board of Directors (cont'd)

Chee Su Kyun

Independent
Non-Executive Director

Age
62 years

Gender
Male

Nationality
Malaysian

Chee Su Kyun, Malaysian, aged 62, was appointed to the Board on 29 September 2023. He graduated with a Bachelor of Administrative Management, Finance and Economics from the University of Western Ontario, London, Ontario, Canada.

Chee had served in both the private and public sectors in Sabah for over 40 years. He held many positions in the private sectors among them are international fast-food chains which includes KFC Malaysia, Pizza Hut and Burger King International. He was the Executive Director and CEO of the listed company, SugarBun Corporation Berhad for 8 years. He also sits in the board of more than 20 companies involves in Tourism, Hospitality, Mining, Manufacturing and Food and Beverage.

At the public sector, he is the Head of Business Development of UMS Link, the investment arm of University Malaysia Sabah. He is also the Associate Director of Institute Development Studies (IDS), the Think Tank institution for the State Government of Sabah, the Chief Executive Officer of Kolej Teknikal Yayasan Sabah and the Deputy Chief Operating Officer of Innoprise Corporation Sdn Bhd (ICSB), the investment arm of Yayasan Sabah. In ICSB, he is actively involves in Plantation, Sustainable Energy, Property Development, Real Estate, Tourism, Oil and Gas and Education.

Chee is a Life member of the Canadian Graduate Alumini Sabah and a member of Institute Materials Malaysia among others.

He is the Chairman of the Audit Committee, Remuneration Committee and Nominating Committee.

Chee is not related to any Directors or major shareholders of the Company. He does not have any conflict of interest in any business arrangement involving the company or its subsidiaries.

Ir. Azman Bin Bujang

Independent
Non-Executive Director

Age
59 years

Gender
Male

Nationality
Malaysian

Ir. Azman Bin Bujang, Malaysian, aged 59, was appointed to the Board on 1 August 2023. He graduated with a Bachelor of Mechanical Engineering from the Polytechnic of Central London (United Kingdom).

He is a Corporate Member of Institution of Engineers Malaysia (MIEM) and a member of Board of Engineers Malaysia (B.E.M).

Ir. Azman Bin Bujang is a professional engineer with almost 38 years of technical and management experience and has provided expertise in numerous fields, including project management on the Bakun Hydroelectric Project in Sarawak.

He started his career as a Mechanical Engineer and worked mainly in the electricity industry in Sarawak from 1986-1998. In 1999, he established an engineering firm that provides consultancy services for the construction industry with his partners.

He is currently the Managing Director of EPC Synergy Sdn. Bhd., an Engineering, Procurement and Construction (EPC) company. Previously, he served as an Independent Non-Executive Director of Pansar Berhad from 2010 - May 2023, a public company listed in Bursa Malaysia.

He is a member of the Audit Committee, Remuneration Committee and Nominating Committee.

Ir. Azman is not related to any Directors or major shareholders of the Company. He does not have any conflict of interest in any business arrangement involving the company or its subsidiaries.

Board of Directors (cont'd)

Lee Hui Zien

Independent
Non-Executive Director

Age
35 years

Gender
Female

Nationality
Malaysian

Lee Hui Zien, Malaysian, aged 35, was appointed as Independent Non-Executive Director of the Company on 16 May 2023. She graduated with First Class Honours in Bachelor of Commerce (Hons) Accounting from the University of Tunku Abdul Rahman.

She is a member of the Malaysian Institute of Accountants, Association of Chartered Certified Accountants (UK) and Malaysia Institute of Accountants.

Lee has more than 12 years of experience in the public accounting practice, specializing in property development industry. She began her career in June 2010 with Deloitte Malaysia as an audit associate. In 2016, she left to join Ernst & Young Hong Kong as Audit Manager and returned to Malaysia in 2017.

She rejoined Deloitte Malaysia as Audit Senior Manager and was promoted to Audit Director in 2020. During her employment with Deloitte, she had led various audit clients of both local and large multinational corporations, public and private companies operating in various industries including property development and construction, plantation, real estate investment trust, retails, oil and gas and service industry.

She had experience in accounting policies and practices advisory and was involved in MFRS 16 implementation project. Her expertise in assurance related assignments also include financial and operational due diligence and reporting accountants for corporate exercises such as scheme of arrangement.

In 2021 she left Deloitte Malaysia and started her own practice by setting up Morison LC PLT, an international professional practice that is an independent member of Morison Global. Currently she is the Audit Partner of Morison LC PLT.

She is a member of the Audit Committee, Nominating Committee and Remuneration Committee.

Lee is not related to any Directors or major shareholders of the Company. She does not have any conflict of interest in any business arrangement involving the company or its subsidiaries.

Key Senior Management

Lee Tong Leong

Chief Operating Officer,
Property Division

Age
65 years

Gender
Male

Nationality
Malaysian

Lee Tong Leong, was appointed as Chief Operating Officer, Property Division of the Company on 1 July 2012. He joined Ideal Heights Properties Sdn. Bhd., an associate company of Bina Puri Group since May 1991 prior to this appointment.

He is a graduate of the Tunku Abdul Rahman College and ICSA. He has had vast experience and exposure in property development and property management for more than 20 years, which include residential/condominium, commercial/ retail and industrial developments.

He is responsible for planning, development, execution and completion of new projects i.e. from land acquisition, feasibility studies and liaison with authorities/consultants to successful execution and completion of the projects.

He is also responsible for the setting up of the property management team of the Group to ensure proper maintenance of the strata developments that have been completed before handing over to JMBs or Management Corporations.

He is also involved in execution of sales and marketing strategies for new projects. For the execution of successful sales and marketing activities, he places high level of importance for the team to keep abreast of latest development and market trend of the property market.

He is not related to any Directors or major shareholders of the Company. He does not have any conflict of interest in any business arrangement involving the company or its subsidiaries.

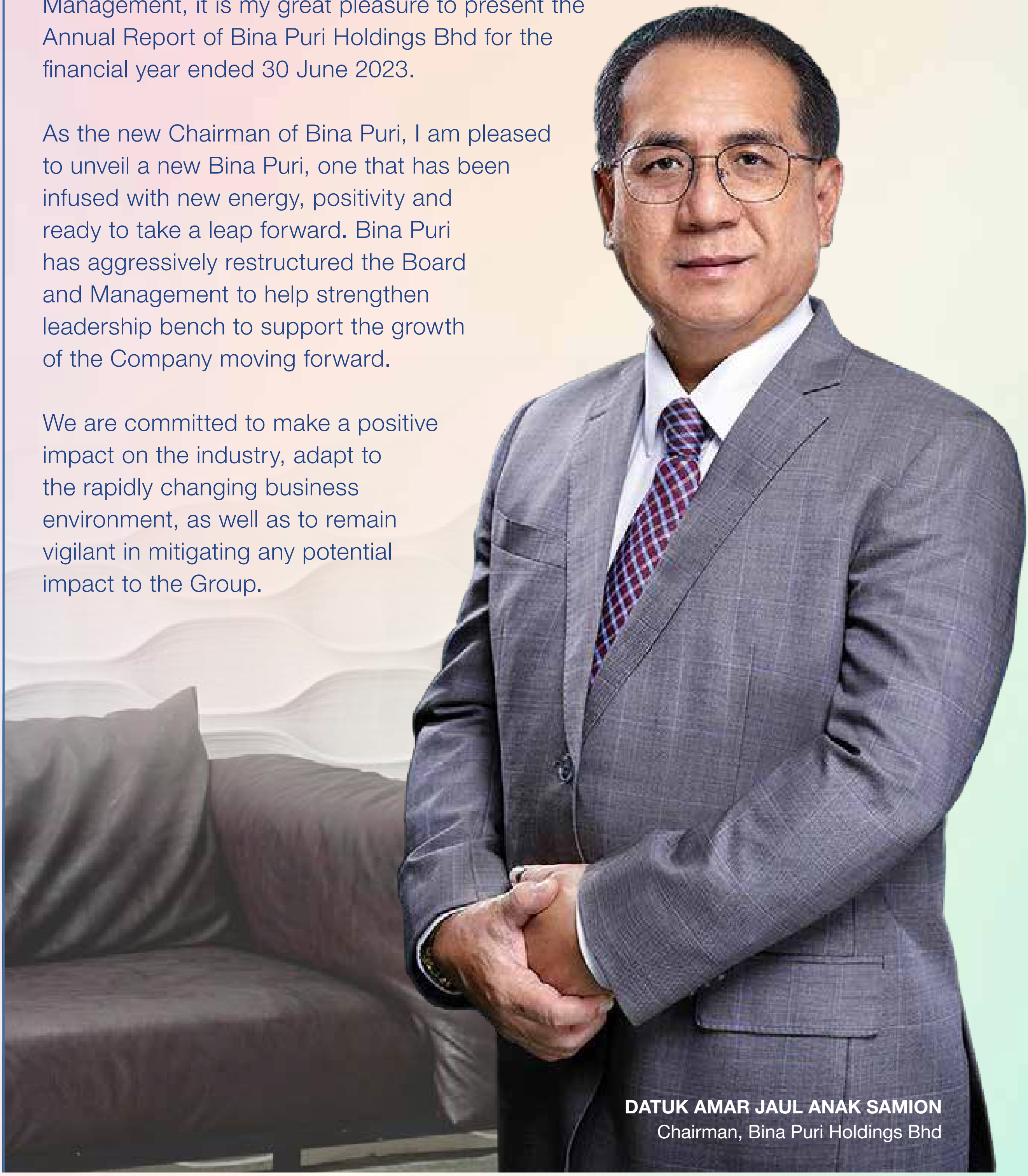
Chairman's Statement

DEAR SHAREHOLDERS,

On behalf of the Board of Directors and the Management, it is my great pleasure to present the Annual Report of Bina Puri Holdings Bhd for the financial year ended 30 June 2023.

As the new Chairman of Bina Puri, I am pleased to unveil a new Bina Puri, one that has been infused with new energy, positivity and ready to take a leap forward. Bina Puri has aggressively restructured the Board and Management to help strengthen leadership bench to support the growth of the Company moving forward.

We are committed to make a positive impact on the industry, adapt to the rapidly changing business environment, as well as to remain vigilant in mitigating any potential impact to the Group.



DATUK AMAR JAUL ANAK SAMION
Chairman, Bina Puri Holdings Bhd

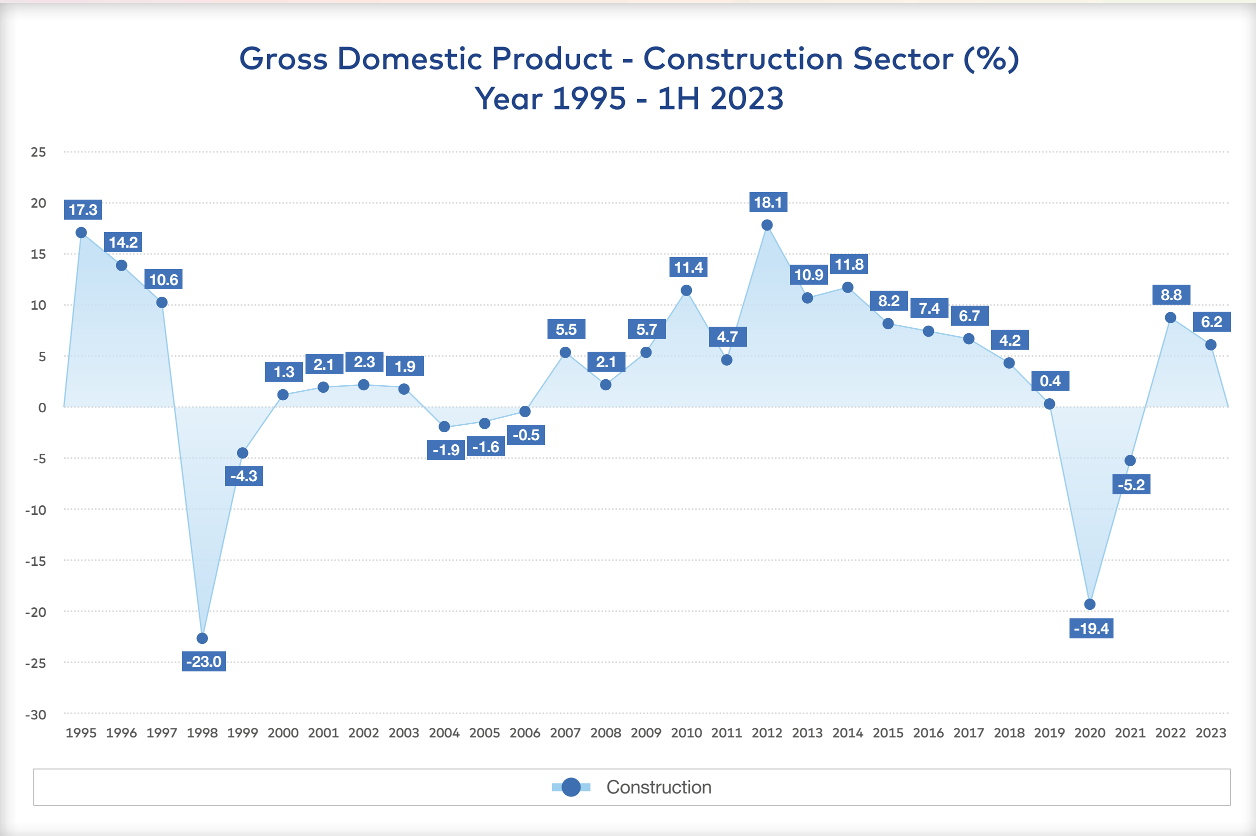
Chairman's Statement (cont'd)

Economy Outlook

Malaysia's economy had continued to build on the momentum of economic recovery during 2022 by the easing of COVID-19 restrictive measures towards endemicity. However, the growth momentum is projected at a moderate pace, 4.2% in 2023 against an exceptionally strong rebound of 8.7% last year, on the back of persistent pressures such as inflation, tightening interest rates and economic deceleration among major economies. Bank Negara reported that the Malaysian economic growth moderated to a pace of 2.9% year-on-year (y-o-y) in Q2 2023, compared to growth of 5.6% y-o-y in Q1 2023, weighed mainly by slower external demand. Domestic demand remains the key driver of growth, supported by private consumption and investment. The pace of robust recovery relies heavily on wage increases and the easing of inflationary pressures on disposable income.

Government's efforts in improving the Malaysian economy while also reducing the burden of the *rakyat* can be seen in the revised Budget 2023, under the theme of "Developing Malaysia Madani". The revised budget was the first budget tabled by the new Unity Government after the 15th General Election, with a new vision for the future and aims to reset Malaysia as the country faces economic challenges. The revised budget emphasized three key significant areas, namely: promoting a comprehensive and sustainable economy, reform of institutions together with improved governance and upholding social justice.

Malaysia's latest economic performance in Q2 2023 was also underpinned by broad based growth across all sectors i.e. construction, services and manufacturing. The construction sector recorded the strongest performance, soaring 6.2% in the quarter, followed by services and manufacturing with 4.7% and 0.1% growth respectively.



Segmental Business Overview

The Group recorded a revenue of RM94.8 million and loss before tax of RM122.5 million for financial year ended 30 June 2023 ("FY2023") as compared to previous corresponding year ("FY2022") of RM234.9 million and RM71.9 million respectively. The widened loss was mainly attributable to the lower contribution from construction division.

Construction had been the bread and butter of Bina Puri but we face headwinds from narrowing margins due to uncertainty of building material prices of which contractors have no control over, rising finance costs, shortage of skilled workers and general lack of key mega projects to sustain the construction segment. The division had not secured any new projects since 2018. For the financial year ended 30th June 2023, the **construction division** incurred a loss before tax of RM99.5 million as compared to FY2022 of RM33.3 million.

On a positive note, the division had secured a road work sub-contract worth RM72.85 million under the Public Works Department project in Daerah Dalat, Bahagian Mukah, Sarawak. This contract reaffirms Bina Puri's track record of excellence in the construction industry, as well as our commitment to delivering high-quality results in every project.

The **property development division** recorded a revenue of RM61.1 million and profit before tax of RM4.5 million for FY2023 as compared to FY2022 of RM136.5 million and RM1.2 million respectively. The improved results were mainly attributable to the notable growth in the sale of our agriculture land, The Valley @ Bentong development project, coupled with a stable performance of occupancy rate from our retail and hospitality sub-sector, The Main Place Mall @ USJ 21 and Swiss-Belhotel Kuantan respectively.

There is a continued demand for our The Valley @ Bentong, Pahang, an agricultural-based development spanning 1,600 acres, equivalent to 1,200 football fields, which has achieved sales of RM148 million. Swiss-Belhotel Kuantan, a four-star seafront property located at Tanjung Lumpur in Malaysia's Pahang State, received overwhelming support from local and foreign tourists, achieving an monthly revenue of RM2.4 million. With the unsold sales of approximately RM300 million, the Group is positive that the sales momentum in the year 2023 remains strong and stable.

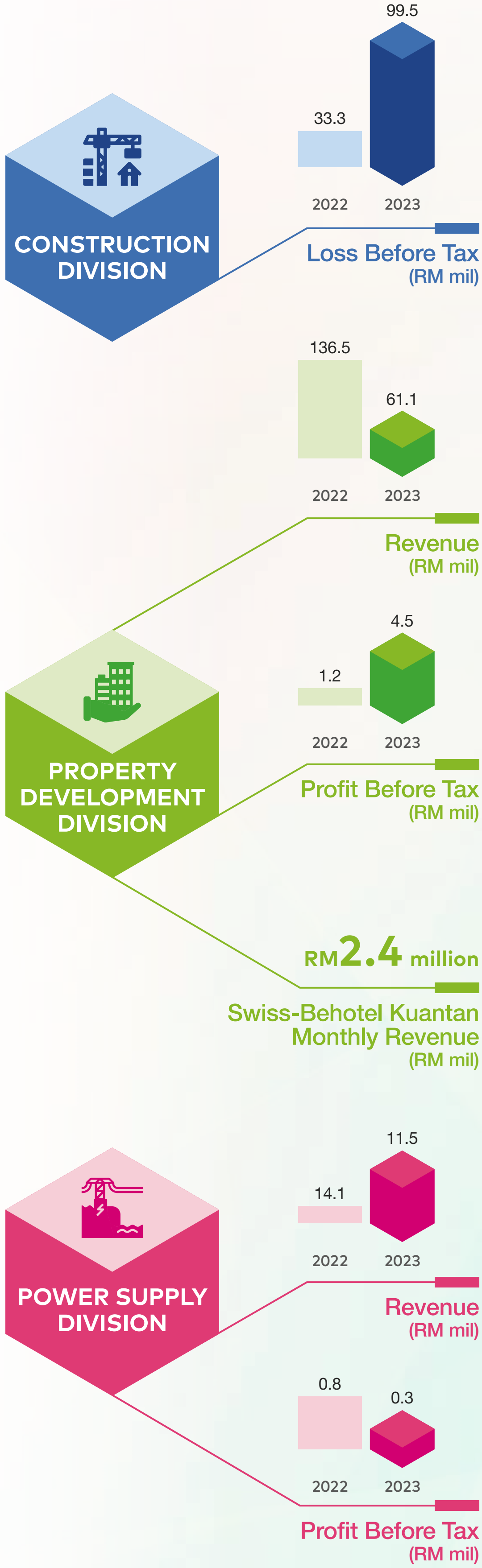
Chairman's Statement (cont'd)

Segmental Business Overview (cont'd)

The **power supply division** recorded a revenue of RM11.5 million from the supply of electricity power to PT Perusahaan Listrik Negara (State Electricity Company owned by Indonesia Government) and PLTM Bantaeng, achieved profit before tax of RM0.3 million for FY2023, as compared to FY2022 of RM14.1 million and loss before tax of RM0.8 million respectively. The better performance was due to the Ringgit appreciating slightly against US Dollar.

As power and renewable energy projects are being green lit locally and overseas, the Group is actively securing more projects moving forward, which is in line with the Group's strategy to diversify the company's sources of income.

Looking ahead, Bina Puri is focused on establishing a robust and recurring income base through both local and international projects.



Chairman's Statement (cont'd)

Achievement and Award

Our heartfelt congratulations to our Deputy Executive Chairman, Tan Sri Datuk Tee Hock Seng, JP and Group Executive Director, Datuk Matthew Tee for being conferred the Master Builders Association Malaysia (MBAM) 30 years Jade Service Award and Silver Award respectively.

The awards were given to long service and outstanding industry leaders and individuals in recognition of their exemplary leadership and meritorious contributions towards the development of an effective Contractors' Association and the construction industry as a whole.

We, the leaders of Bina Puri, look forward to contributing towards the betterment of our community and the nation.

Our Business Outlook and Prospects

With the challenging global environment coupled with the Madani economy initiative, the Malaysian economy is expected to expand within 4.0% to 5.0% range in 2023 as forecasted. Growth will continue to be supported by domestic demand amid improving inflation rate, unemployment rate and income. Additionally, the contribution of the tourism related sectors is expected to improve following throngs of tourist visiting Malaysia post pandemic. The economy will require several mega projects to kickstart the recovery of the construction industry which in turn has multiplier effects throughout the economy. The Unity Government must strive to roll out new projects to pump prime the revival of the Malaysian construction Industry.

The Group continues to implement various measures i.e. prudent cost control, monetise low-performing assets to mitigate risks associated with financial, labour cost and material price escalation in order to maintain financial and operations stability of our businesses. Backed by the Group's close to 50-year experience, we will continue to execute our strategy to ensure the sustainability and growth of the Company. The Group will be actively sourcing for new business opportunities to strengthen the recurring revenue stream.

Chairman's Statement (cont'd)

Appreciation and Succession Planning

Bina Puri management team and employees have demonstrated resilience during recent times. They not just "bounced back" from difficult situations but also "bounce forward" into new realms, learning to be more adaptable as circumstances evolve and change constantly.

We would like to convey our heartfelt gratitude to Tan Sri Dato' Wong Foon Meng, Ir. Ghazali bin Bujang and En Mohd Najib Bin Abdul Aziz for their invaluable contribution and support to the Group throughout their tenure as Board Members.

We also wish to welcome our newly appointed Directors and I am honoured to be part of the new team. With their business acumen, comprehensive knowledge, skills and experience within the industry, we are committed to work together as a team to help the Group scale greater heights.

Acknowledgement

On behalf of the Board of Directors, I would also like to extend my sincere appreciation to our financiers, business partners, shareholders and relevant authorities for their continuous patience, support and co-operation throughout our business journey and despite the challenges faced. The Board and the management will continue to innovate, evolve and remain committed to delivering value creation to our stakeholders.

Group Managing Director's Message and Management Discussion and Analysis

"I am pleased to present the inaugural report as the new Group Managing Director and Group Chief Executive Director of the Company. I am deeply honoured for the opportunity to lead Bina Puri at this time and I would like to thank the Board of Directors for entrusting me with the task of steering the Bina Puri Group into new heights."

CHAI CHAN TONG
Group Managing Director &
Group Chief Executive Director,
Bina Puri Holdings Bhd

Group Managing Director's Message and Management Discussion and Analysis (cont'd)

Overview

In 2022, the Malaysian economy rebounded strongly driven by easing of COVID-19 restriction as well as buoyant exports of petroleum products, electrical and electronic products, palm oil products. However, the growth momentum had slowed down in 2023 as seen in slower external demand due to weakening global trade. Geopolitical tensions - strained ties between the United States and China, and Russia's invasion of Ukraine, escalating inflationary pressures and tighter financial conditions continue to affect world economic outlook.

We applaud the Government through the expansionary Budget 2023 of RM388.1bil, the largest ever budget allocation with aim to stimulate the economy. Various holistic measures have been taken by the Government to ease the *rakyat* and businesses in dealing with inflationary pressures and higher cost of living.

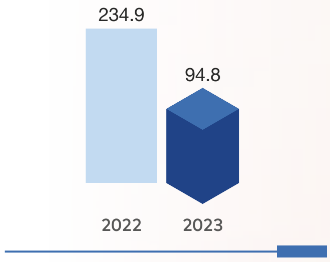
The construction sector industry faced stiffer challenges and the profit margin was badly affected with competitive tenders. Labour shortage, rising cost of materials and equipment, delays in obtaining project permits and approvals etc. remain significant issues to the contractors. Rollouts of the mega projects are essential due to the multiplier effect which will eventually help the construction industry to recover. On a positive note, the Government through the budget 2023 had channelled RM6.5bil and RM5.6bil to Sabah and Sarawak respectively to promote development in the states. Bina Puri being the major player in East and West Malaysia, will pursue these opportunities.

For close to five decades, Bina Puri has weathered the storms from recessions and emerged stronger, backed by a group of committed and dedicated employees as well as our culture of resilience and perseverance. The company remains optimistic in overcoming the challenges and achieving its strategic goals, which is in line with the theme of our annual report this year – Radiant with Resilience.

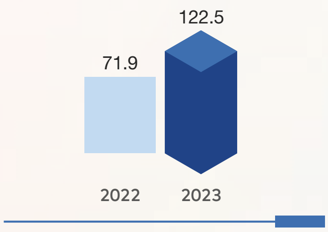
Group Managing Director's Message and Management Discussion and Analysis (cont'd)

Review of Performance

The Group recorded revenue of RM94.8 million and loss before tax of RM122.5 million for year ended 30 June 2023 as compared to previous corresponding year of RM234.9 million and RM71.9 million respectively. Despite market uncertainty, the Group strived hard to reduce losses. Despite the weak environment faced by our industry, the Group is striving hard to improve moving forward.



Revenue
(RM mil)



Loss Before Tax
(RM mil)

Construction Division

For the financial year ended 30 June 2023, the construction division recorded loss before tax of RM99.5 million as compared to previous corresponding year of RM33.3 million. The lower performance was mainly caused by overall cost increase including higher finance cost following the increase of base lending rate (BLR) by Bank Negara Malaysia. The ongoing Russia-Ukraine war also affected our project in Moscow, whereby the project was prolonged due to political instability and rising building material costs.

The construction division anticipates a less favourable outlook and more competitive tender environment due to limited availability of local mega projects rolling out under the revised budget 2023. The road work project at Daerah Dalat, Sarawak under Chun Yang - Bina Puri JV which commenced work in 3rd quarter 2023, is expected to contribute positively to the earnings and net assets of the Group. This significant in that it is our first local contract award since 2018.

Bina Puri's on-going projects remain on track and the Company is expected to handover the state-owned hotel in Tasik Kenyir, Terengganu and Pan Borneo project by November 2023 and March 2024 respectively. Supreme Court Building Complex at Ramshahpath, Kathmandu, Nepal and High-Speed Railway project in Bangkok, Thailand have been progressing well with a completion rate of 50% and 6% to date respectively.

50 %

Supreme Court Building Complex at Ramshahpath, Kathmandu, Nepal

6 %

High-Speed Railway project in Bangkok, Thailand

Group Managing Director's Message and Management Discussion and Analysis (cont'd)

Construction Division (cont'd)

The Group's order book as at October 2023 amounted to RM530 million. The Group is expecting to receive more awards in the next financial year and will continue to exercise prudence in participating in selective tenders to improve its book order. The division is also looking into opportunities in East Malaysia as the division recognises the region's potential for new construction job opportunities in the near term.

Property Division

The Property division recorded a revenue of RM61.1 million and profit before tax of RM4.5 million for financial year 2023 as compared to financial year 2022 of RM136.5 million and RM1.1 million respectively.

Better performance in property sector was attributable to sales from The Valley @ Bentong project. There is a continuous demand for the homestead land, even though it is a niche product in Malaysia, but it remains an appealing form of alternative investment, especially for those looking to build their weekend or future retirement homes to escape from the hustle and bustle of the city and closer to nature. The Group targets to launch Phase 4, The Valley @ Bentong development project in 4th quarter 2023 with estimated GDV of RM93 million.

RM93 million
Phase 4, The Valley @ Bentong development project

The division is also looking to develop a mixed development that combines residence, leisure, retail and dining that brings investors/residents the ultimate city-suburban lifestyle which is known as Main Place, Kota Kinabalu. The development is expected to boost business and investment growth along Jalan Tuaran Bypass.

Quarry Division

The Quarry division in Melaka also recorded an increase in revenue with RM21.3 million performance as compared to the previous financial year of RM18.8 million.

Due to increasing domestic demand for quarry aggregates and stones, especially in the construction and property development industry as well as road infrastructure projects, the Group's quarry business recorded a positive net income. The Group foresees a passive income of RM1 million from this division moving forward.

Power Supply Division

Our power unit PT Megapower Makmur Tbk. in Indonesia was listed since 2017 registered stable growth and generating sustainable passive income for the division. This year our hydro concession which expired in 6 June 2031 will hopefully provide cashflow injection to the Group once our loan is fully repaid by early 2027.

Group Managing Director's Message and Management Discussion and Analysis (cont'd)

Hospitality Division

Recurring income for Swiss-Belhotel Kuantan and Rimbun Suites and Residences in Brunei is expected to continue in the future.

Swiss-Belhotel Kuantan has become a popular tourists spot and a weekend gateway for local and foreign travelers. Our Swiss-café provides you an opportunity to dine and chill by the sea while the associated F&B outlet i.e. Bluesky Coffee & Bar, There Restaurant and Majestic Bay also a popular spot for private events. With that, the hotel generates stable revenue of RM2.4 million monthly. Occupany is encouraging with occupancy rate of 65%.

As for Rimbun Suites and Residences in Bandar Seri Begawan, located near popular landmarks in Brunei with sizeable apartments and great facilities remains the top choice for many travelers, expatriates for both short and long-term stay. The occupancy rate stood at 80% to 85% post pandemic.

Recurring Revenue

Our neighbourhood mall, the Main Place Mall in USJ 21, Subang Jaya since opening has always achieved an occupancy rate of close to 90%, with average yearly revenue of RM13 million.

Main Place Mall nestled in the heart of USJ 21, despite its small size mall, hosts several popular tenants i.e., Jaya Grocer, Starbucks, McDonalds etc. which increase the mall's foot traffic and get shoppers through our doors. We are grateful that we have brought back our popular community event – walkathon post pandemic. We received incredible participation of close to 1,000 pax from the USJ Subang Jaya community and look forward to organizing this annual event in the future.

Credit to our retail marketing team with strong marketing strategies who always strive hard to foster customer loyalty and retention as well as to ensure the occupancy rates remain healthy and stable.

90 %
Occupancy rate

RM18 million
Average Yearly Revenue Main Place Mall

Highway Concession Division

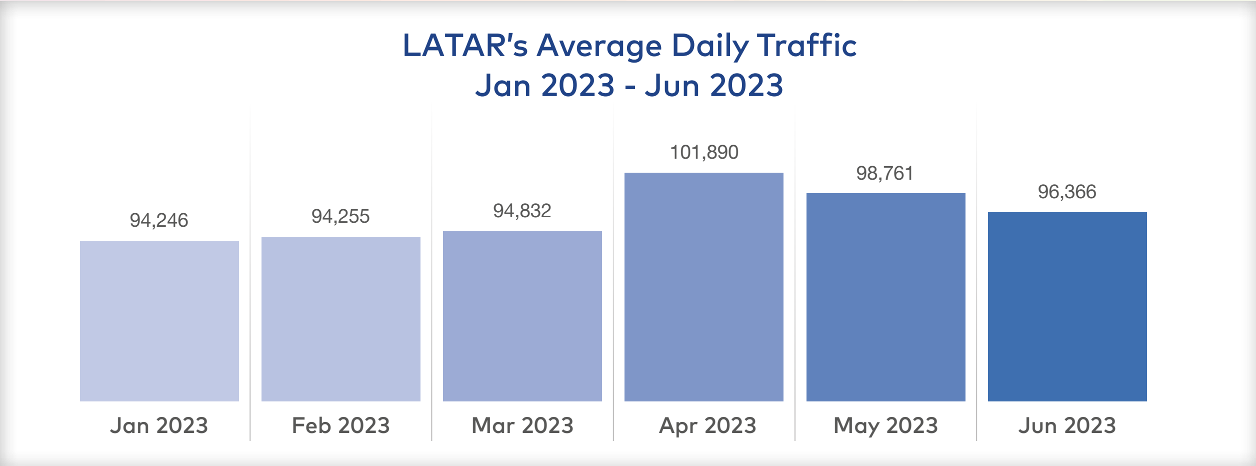
Traffic of Kuala Lumpur-Kuala Selangor Expressway (LATAR) had recorded a strong growth post pandemic. The traffic has recovered and the growth recorded has superseded the growth pre-Covid level.

Year 2022 recorded a strong and significant 52.75% growth, while the Q2 2023 recorded a 3.8% growth compared against Q2 2022. The performance has been very encouraging and is supported by a good monthly Average Daily Traffic (ADT) as per below. The strong traffic performance was supported by Hari Raya traffic from mid-April until end of May 2023.

Year-to-date ADT on the other hand stood at 96,739 i.e. 7.21% growth compared to Year 2022's ADT. The highest traffic volume of 132,717 was achieved on 13 May 2023 (Aidilfitri Open House). We believe that LATAR will continue to perform steadily moving forward. The concession registered its first profit in 2022 with a profit of RM5.7 million.

Group Managing Director's Message and Management Discussion and Analysis (cont'd)

Highway Concession Division (cont'd)



Prospects

In the forthcoming financial year, following the recent Malaysia MADANI Budget 2024, the company expects a moderate performance for construction division. The division will ensure the execution of ongoing projects to be completed in a timely manner while replenishing its order book from local and overseas markets. Under the budget 2024, the Government has set aside RM12.4 billion to Sabah and Sarawak for development. The growth and the wellbeing of the *rakyat* in Sabah and Sarawak remains a top priority for the Unity Government. The division will actively participate in the tenders to unlock new market opportunities.

The property division remains optimistic with the government's continued support for encouraging homeownership. The division is expected to perform satisfactorily in the next financial year supported by total unsold sales of approximately RM300 million and future mixed development in Kota Kinabalu. The company also looking into joint ventures and increase land bank moving forward.

The performance of the Group's overall operations are also expected to improve with the strengthening of Malaysian economy. Against this backdrop, Bina Puri Group remains vigilant in mitigating potential risks to the businesses of the Group.

Dividend

There was no dividend paid during the financial period under review.

Appreciation

Special thanks to our ex-board members Tan Sri Dato' Wong Foon Meng, Ir. Ghazali Bin Bujang and En. Mohd Najib bin Abdul Aziz for their invaluable contributions rendered to Bina Puri Group especially during the unprecedented times. My heartfelt gratitude to Tan Sri Datuk Tee Hock Seng, JP, our respected ex Group Managing Director, your wisdom, guidance and shared experiences have been invaluable. I would also like to extend my warm welcome to our new Board Members on board. I am excited to work hand in hand with the new leaders and together we will scale new heights.

Besides, my deepest appreciation to our management and employees of the Group. Thank you for your unwavering commitment in performing your duties especially during difficult times. We are grateful for the continued support given by our shareholders, clients, financiers, contractors, suppliers, business partners and relevant authorities.

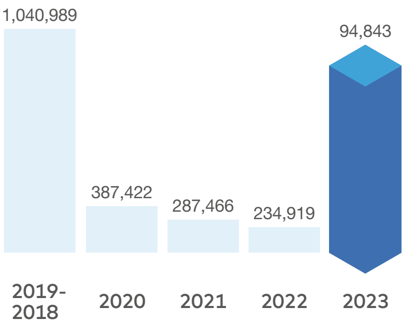
Bina Puri under the new leadership bench will come back stronger.

CHAI CHAN TONG
Group Managing Director & Group Chief Executive Director
Bina Puri Holdings Bhd

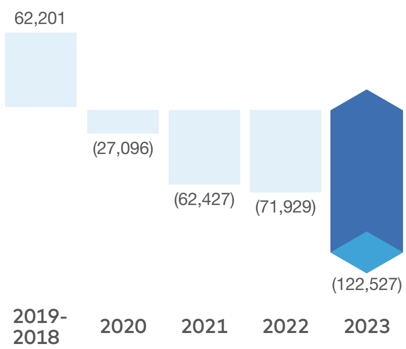
Group Financial Highlights

	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000	2019-2018 RM'000
Revenue	94,843	234,919	287,466	387,422	1,040,989
Profit/(Loss) before taxation	(122,527)	(71,929)	(62,427)	(27,096)	62,201
(Loss)/Profit attributable to the shareholders of the Company	(122,956)	(74,749)	(63,910)	(54,107)	462
Dividend Paid (Net)	-	-	-	-	-
Issued share capital	299,458	246,521	236,435	180,857	157,821
Shareholders' equity	104,229	167,528	232,101	242,524	253,540
Total assets employed	1,026,500	1,152,027	1,357,151	1,326,750	1,497,193
Net (loss) /earnings per share (sen)	(5.9)	(4.8)	(6.80)	(9.40)	0.14
Net assets per share (RM)	0.03	0.10	0.16	0.32	0.66
Share price (RM)					
- High	0.045	0.035	0.12	0.25	0.37
- Low	0.030	0.08	0.07	0.03	0.17

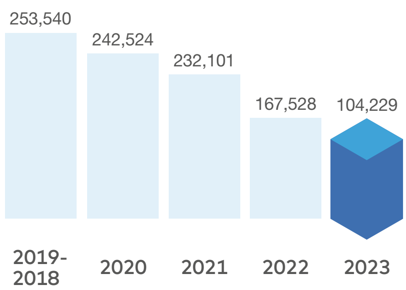
Revenue
(RM'000)



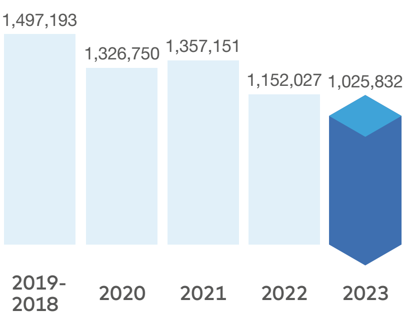
Profit/(Loss) Before Taxation
(RM'000)



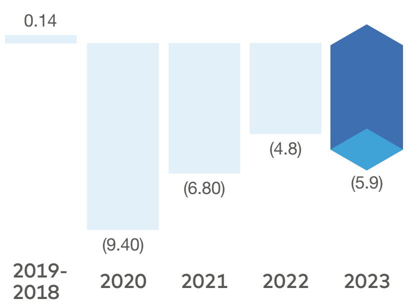
Shareholders' Equity
(RM'000)



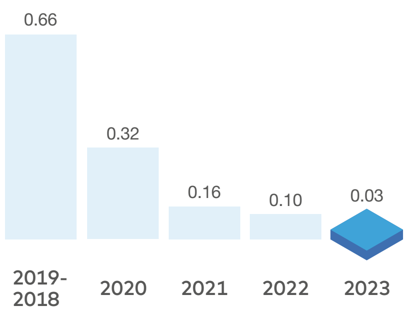
Total Assets Employed
(RM'000)



Net (loss) / Earnings Per Share
(Sen)



Net Assets Per Share
(RM)



Calendar of Events

DEC 2022

Bina Puri Holdings Bhd held its 31st Annual General Meeting on 5 December 2022, virtually from the broadcast venue at the Share Registrar's Office, ie Tricor Investor & Issuing House Services Sdn Bhd.

YBhg. Tan Sri Dato' Wong Foon Meng chaired the online meeting, with other Board of Directors attending the meeting physically including YBhg. Tan Sri Datuk Tee Hock Seng, JP., YBhg. Datuk Matthew Tee and Dr Tony Tan Cheng Kiat. Directors who attended virtually are Ir. Ghazali bin Bujang and Mr Mohd Najib bin Abdul Aziz.

JAN 2023

KL-Kuala Selangor Expressway Bhd (LATAR) organised a Road Safety Campaign on 20 January 2023 at Plaza Tol Ijok in conjunction with Chinese New Year Festival 2023. The safety campaign was successfully held in collaboration with Pejabat Daerah/Tanah Kuala Selangor, IPD Kuala Selangor, JPJ Kuala Selangor and other related agencies.

The objective of the campaign was to instill road safety awareness among the motorists especially to LATAR Expressway users.

MAY 2023

Kelab Sukan dan Sosial Bina Puri organised a Raya Celebration for Management and staff at Wisma Bina Puri on 8 May 2023 in conjunction with the Hari Raya Aidilfitri and Bina Puri General Assembly.

JULY 2023

Bina Puri Holdings Bhd's 49 per cent-owned joint venture company, **Chun Yang Bina Puri (JV) Sdn Bhd**, bagged a contract from Tokoh Ilham Sdn Bhd for a project under the public works department.

The contract, valued at RM72.85 million, involves subcontracting works in Jalan Kampung Medong, Lebrasau, and Kampung Klid in Mukah, Sarawak. The contract is for 24 months and is expected to be completed by the third quarter of 2025.

Calendar of Events (cont'd)

AUG 2023

KL-Kuala Selangor Expressway Bhd (LATAR) received Certificate of Appreciation by the Ministry of Works (KKR) and the Malaysian Highway Authority (LLM) for the commitment in partaking Bitara Madani initiative to upgrade and build new motorcycle shelters on the highway on 3rd August 2023

The upgrading and building new motorcycle shelters initiative is an effort to ease motorcyclists to seek shelter especially during bad weather. It involved 33 highways concessionaires nationwide.

AUG 2023

Bina Puri Directors had the honor of receiving the MBAM Awards during the Master Builders Association of Malaysia's 69th Anniversary Dinner on 11 August 2023 at the Grand Ballroom, Sunway Resort Hotel as follows:

1) YBhg Tan Sri Datuk Tee Hock Seng, JP – MBAM Jade Service Award (30 Years)
2) YBhg Dato' Ng Kee Leen – MBAM Jade Service Award (30 Years)
3) YBhg Datuk Matthew Tee – MBAM Silver Award

AUG 2023

KL-Kuala Selangor Expressway Bhd (LATAR) contributed Jalur Gemilang to all student of SJKC Ijok in conjunction with Merdeka and Hari Malaysia celebration, as part of its corporate social responsibility initiative.

The event was held on 24th August 2023 at Dewan SJKC Ijok. This programme was aimed at raising the patriotic spirit among students from various backgrounds.

AUG 2023

Karak Land Sdn Bhd organized The Valley@Bentong Sales Fair & Appreciation Day 2023 on Saturday, 19th August 2023 at the JRS Eco Farm, Lot 342 of Kerau @ The Valley.

The event started with a seminar session by three Speakers as follows:

i) Wellness Talk by Mr Cliff Lee from Ethos Forest
ii) Cultivation of Durian by Mr Ng Swee Peng from Karak Organic Durian
iii) History of Musang King by Mr Frankie Tong from Tong Seng Nursery

YBhg Tan Sri Datuk Tee Hock Seng gave away the Special Awards for Model Homestead to Ethos Forest (Lot 413) and Valley Hill Eco Farm (Lot 217), as well as a token of appreciation to the Venue Sponsor, JRS Eco Farm (Lot 342).

Sustainability Statement

The growth of construction sector in Malaysia is still on a slow pace since the last several years stemming from the effects of the covid-19 pandemic and global economic uncertainty, which continuously affects the Group's business performance and profitability.

Nonetheless, the Group is committedly focusing and working on reversing all these effects and bringing back the Group's neat performance; at the same time taking into consideration to adapt and prepare for the new ESG trends into the business strategy and operations. Fulfilling the complete ESG standard frameworks is a non-stop process in which the Group has been committedly adhering to and carrying out its roles and responsibilities towards the environmental, social and good governance exercises throughout the years.

Sustainability Statement (cont'd)

The Group's dedication towards implementation and compliance with standard practices and various legal requirements is bound and qualified by its continuous corroboration with the national Certification Body. The Group's many subsidiaries hold MS ISO Certification relevant to each main activities. The latest addition is the Integrated Management System Certification for Bina Puri Builder Sdn Bhd including the Quality, Safety & Health and Environmental Management System. Having these certifications keep the companies on track and persistently abide and contribute towards the sustainability of the Group in various aspects of the ESG framework.

On business perspective, the Group's involvement in Renewable Energy (RE) uptake through its solar farm project is ongoing. The project is to design and build a solar photovoltaic energy generating facility with a capacity of 5.00MWac located in Kg Dasar, Kunak, Sabah. The Group is also working on other RE related works such as mini hydro power plant in Sabah.

The Group's highway operator, KL-Kuala Selangor Expressway (LATAR) also took part in these green initiatives by installing solar panels at vacant spaces along reserve land alongside road shoulders and usable rooftops throughout the length of the highway; as well as planting more than 5,000 Paulownia Trees on the land reserves of the highway to maintain and support the green environment drives which is also rewarding for LATAR's reputation after receiving the 'Green Highway Award' in 2021.

The Group also involved in several community engagement activities mainly through LATAR. They organised a Road Safety Campaign in January 2023 at Plaza Tol Ijok in conjunction with the Chinese New Year Festival 2023. The safety campaign was successfully held in collaboration with Pejabat Daerah/Tanah Kuala Selangor, IPD Kuala Selangor, JPJ Kuala Selangor and other related agencies. The objective of the campaign was to instill road safety awareness among the motorists especially to LATAR Expressway users.

Sustainability Statement (cont'd)

LATAR also received a Certificate of Appreciation for its commitment in partaking to upgrade and build new motorcycle shelters as an effort to ease motorcyclists seeking shelter especially during bad weather. This effort is part of the Bitara Madani Initiative by the Ministry of Works (KKR) and the Malaysian Highway Authority (LLM) which involved all the 33 highways concessionaires nationwide in August 2023.

In conjunction with Merdeka and Hari Malaysia celebration, LATAR contributed Jalur Gemilang to all student of SJKC Ijok.This CSR programme was aimed at raising the patriotic spirit among students from various backgrounds.

The Group organised a Raya Celebration for all staff at Wisma Bina Puri in May 2023 in conjunction with the Hari Raya Aidilfitri and Bina Puri General Assembly after a long break since the covid-19 pandemic hit. Such gathering provide avenues for inter-communication between staff and the management casually and leisurely.

For the year under review, the Group also continued to provide financial aids for student development in several schools in Kuala Lumpur/Selangor such as Tsun Jin High School and some social and business associations.

The Group has always been conducting good corporate governance and ethical business practices with integrity and transparency. This year witnessed changes in the Group's new Board of Directors line-up with more diverse and impressive backgrounds which we believe will steer the Group on the road towards its recovery.

With everything in place and everyone working tirelessly, the Group is determined to reach its new destination, while continuing to safeguard the wellbeing and interest of all the employees, the community and the overall business environment.

Audit Committee Report

A. COMPOSITION, COMPLIANCE AND ATTENDANCE

MEMBERS OF THE COMMITTEE	DESIGNATION IN THE COMPANY	NO. OF MEETINGS ATTENDED
Chee Su Kyun Chairman (appointed on 29.9.2023)	Independent Non-Executive Director	-
Ir. Ghazali Bin Bujang (resigned on 1.8.2023)	Independent Non-Executive Director	5/5
Tan Sri Dato' Wong Foon Meng (retired on 30.6.2023)	Chairman/Independent Non-Executive Director	5/5
Mohd Najib Bin Abdul Aziz (resigned on 28.2.2023)	Independent Non-Executive Director	4/4
Lee Hui Zien (appointed on 16.5.2023)	Independent Non-Executive Director	1/1
Ir. Azman Bin Bujang (appointed on 1.8.2023 and re-designated on 29.9.2023)	Independent Non-Executive Director	-

(a) The Audit Committee shall be appointed by the Directors from amongst their numbers and shall consist of not less than three (3) members. All the Audit Committee members must be non-executive directors with a majority of them being Independent Directors. The composition of the Audit Committee shall meet the independence requirements of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and other rules and regulations of the Securities Commission.

(b) At least one member of the Audit Committee:
   i. is a member of the Malaysian Institute of Accountants (MIA); or
   ii. if he is not a member of the Malaysian Institute of Accountants, he must have at least three (3) years' working experience and
      - must have passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967; or
      - must be a member of one of the associations of accountants specified in Part II of the First Schedule of the Accountants Act 1967; or
   iii. fulfils such other requirements as prescribed or approved by the Bursa Malaysia Securities Berhad.

(c) In the event of any vacancy in the Audit Committee, the Directors shall within three (3) months of that event, appoint such new members to make up the minimum number of three (3) members.

(d) An Alternate Director shall not be appointed as a member of the Audit Committee.

(e) The member of the Audit Committee that meets the requirement for having the necessary accounting qualification is En. Mohd Najib Bin Abdul Aziz and he was subsequently replaced by Ms Lee Hui Zien after his resignation.

B. TERMS OF REFERENCE

The Terms of Reference of the Audit Committee are consistent with the MMLR of Bursa Securities and the MCCG 2021 and all the requirements under the Terms of Reference are fully complied with. The Terms of Reference of the Audit Committee are accessible to the public for reference on Bina Puri's corporate website.

Audit Committee Report (cont'd)

C. MEETINGS

The Committee will meet at least five (5) times a year and such additional meetings as the Chairman shall decide in order to fulfil its duties. The external auditors may request a meeting if they consider that one is necessary.

The quorum for each meeting shall be two (2) members and the majority of members present must be Independent Non-Executive Directors.

The authorised officers and a representative of the external auditors may attend meetings at the invitation of the Committee. Other Board members shall also have the right of attendance upon the invitation of the Committee. If necessary, the Committee shall meet with the external auditors without executive Board members present.

The Secretary to the Committee shall be the Company Secretary or any other person appointed by the Committee.

The Secretary shall be responsible, in conjunction with the Chairman, for drawing up the agenda and circulating it to the Committee members prior to each meeting. The Secretary will also be responsible for keeping the minutes of the meeting of the Committee and circulating to the Committee members and to other members of the Board.

A resolution in writing signed or approved by letter by all the members of the Audit Committee who are sufficient to form a quorum shall be valid and effectual as if it had been passed at a meeting of the Audit Committee duly called and constituted. All such resolution shall be described as "Audit Committee Circular Resolution" and shall be forwarded or otherwise delivered to the Secretary without delay and shall be recorded by the Secretary in the Company's minutes book. Any such resolution may consist of several documents in like form, each signed by one (1) or more members.

D. SUMMARY OF ACTIVITIES

The following activities were carried out by the Audit Committee during the year review:

1. Financial Reporting

- Reviewed the quarterly financial results, announcement, annual report and audited financial statements of the Company and the Group for financial year ended 30 June 2022 prior to recommending to the Board for consideration and approval;
- The review also involved discussion with Management and the external auditors to ensure they were drawn up in accordance with the applicable accounting standards approved by Malaysian Accounting Standards Board ("MASB") and other legal requirements; and
- The quarterly financial statements for the period from 1 July 2022 to 30 June 2023 (four quarters), which were prepared in compliance with the Malaysian Financial Reporting Standard ("MFRS") 134 Interim Financial Reporting, International Accounting Standards 34 Interim Financial Reporting and paragraph 9.22, including Part A, Appendix 9B of the MMLR, were reviewed at the AC meetings on 24 August 2022, 27 October 2022, 22 November 2022, 21 February 2023 and 23 May 2023 respectively.

2. Internal Audit

- Reviewed and approved the annual audit plan proposed by the internal auditors to ensure the adequacy of the scope and coverage of work;
- Reviewed the internal audit reports presented by the internal auditors on their findings and recommendations including Management's response;
- Considered internal auditors' recommendations and the Management's response with respect to system and control weaknesses, before proposing those system and control weaknesses be rectified and recommendations to be implemented; and
- Considered and recommended to the Board for approval of the audit fees payable.

Audit Committee Report (cont'd)

D. SUMMARY OF ACTIVITIES (CONT'D)

3. External Audit

- Reviewed the external auditors' report on the final audit report for the financial year ended 30 June 2023 and Statement of Risk Management and Internal Control ("SORMIC") in October 2023 before recommending to the Board for approval;
- Reviewed the Internal Control Memorandum, together with Management's response to the findings of the external auditor;
- Reviewed the 2023 external auditors' audit plan for Bina Puri Group, encompassing the nature and scope for the year's audit and engagement strategy in 2023 prior to its implementation;
- Reviewed the terms of engagement of the external auditors for the 2023 statutory audit and SORMIC, upon confirmation of its independence and objectivity, prior to tabling for the Board's approval. The engagement of the external auditors for the Group was supervised and processed under the Group's umbrella to streamline their terms of engagement;
- Reviewed and approved the non-audit services provided by the external auditors while ensuring there was no impairment of independence or objectivity. This includes monitoring the fee of the total non-audit work carried out by the external auditors so as not to jeopardise the external auditors' independent status. In the financial year ended 30 June 2023, the Company did not engage the external auditors for any non-audit projects.

  Audit Committee also diligently exercised its right to hold annual meetings with the external auditors without the Management's presence on one separate occasion on 25 October 2023. These sessions were held to enable an open discussion with the Audit Committee and ensure the external auditors were not restricted in their scope of audit;

- Reviewed, assessed and monitored the performance, suitability and independence of the external auditors. The Audit Committee undertook an annual assessment to assess the performance, suitability and independence of the external auditors based on, amongst others, the quality of service, sufficiency of resources, communication and interaction, as well as independence, objectivity and professional scepticism.

  The external auditors also provide an annual confirmation of their independence in accordance with the terms of all professional and regulatory requirements, including the By-laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants. The engagement and concurring partners responsible for the Group audit are rotated at least every five (5) financial years.

  Following the review of the external auditors' effectiveness and independence, the Audit Committee is satisfied with the performance and the audit independence of the external auditors. Accordingly, Messrs. UHY has indicated their intention to seek re-election as auditor of the Company at the forthcoming Annual General Meeting.

  The Board has in place, a formalised External Auditor Assessment Policy to enhance the External Auditors assessment processes and procedures. This Policy provides a structured, formalised/documented assessment, review and supervision of the performance, suitability, objectivity and independence of External Auditors, to facilitate accountability and transparency of the Group's dealing with its External Auditors; and

- Considered and recommended to the Board for approval of the audit fees payable.

4. Others

- Reviewed the Audit Committee Report and its recommendation to the Board for inclusion in the Annual Report;

Audit Committee Report (cont'd)

D. SUMMARY OF ACTIVITIES (CONT'D)

4. Others (cont'd)

- Reviewed the SORMIC and its recommendation to the Board for inclusion in the Annual Report; and
- Reviewed related party transactions that may arise within the Company or the Group.

The Committee discharged its duties and responsibilities in accordance with its Terms of Reference.

E. INTERNAL AUDIT FUNCTION

The Company has outsourced the internal audit function to Tricor Axcelasia Sdn. Bhd. ("Tricor Axcelasia"). The cost incurred for the internal audit function in respect of the financial year ended 30 June 2023, excluding OPE charges amounted to RM17,500.

The internal audit function is headed by Mr. Chang Ming Chew, Executive Director of Tricor Axcelasia Sdn. Bhd. ("Tricor Axcelasia"). Mr. Chang is a Certified Internal Auditor and holds a Certification in Risk Management Assurance from the Institute of Internal Auditors, professional member of the Institute of Internal Auditors Malaysia, member of the Association of Chartered Certified Accountants (UK), and member with the Malaysian Institute of Accountants.

The role of the internal audit function is to provide assurance to the Audit Committee in monitoring and managing risks and internal controls of the Group. A systematic and disciplined approach is used to evaluate the system of internal control of the Group.

Internal Audit Approach

The performance of the internal audit work is guided by, in all material respects, the International Professional Practices Framework issued by the Institute of Internal Auditors. This involved assessing key risk areas, walkthrough or high-level reviews of the major operations, discussions held with Top Management and key staff as well as limited tests of transactions on a sample basis covering the various related records and documents supplemented with an observation of its current practices.

For the financial period under review, Tricor Axcelasia has direct access to the Audit Committee. In order for the function to carry out its responsibilities, it shall have full access to all records, properties and personnel of the Group.

During the financial year ended 30 June 2023, Tricor Axcelasia carried out the following activities:

a) Prepared the annual internal audit plan for the approval of the Audit Committee.
b) Issued audit reports to the Committee and management identifying control weaknesses and issues as well as highlighting recommendations for improvements.
c) Acted on suggestions made by Committee and/or senior management on concerns over operations or controls and significant issues pertinent to the Company or the Group.
d) The internal audit undertaken by Tricor Axcelasia for the financial period from 1 July 2022 to 30 June 2023 included the following:
   i. Internal Control Review on Management of Completed Unsold Properties.

All findings and recommendations arising from the Internal Control Review for financial year ended 30 June 2023 were tabled to the Audit Committee and the reviews were conducted based on an internal audit plan approved by the Audit Committee.

F. REVIEW OF THE AUDIT COMMITTEE

The nominating committee, as required of a listed issuer, reviews the term of office and performance of an Audit Committee and each of its members annually to determine whether such Audit Committee and members have carried out their duties in accordance with their terms of reference.

Corporate Governance Overview Statement

INTRODUCTION

THE BOARD IS COMMITTED TO UPHOLD AND IMPLEMENT A CORPORATE CULTURE WHICH IS BASED ON THE PRINCIPLES AND BEST PRACTICES OF CORPORATE GOVERNANCE ("CG") AND IS PRACTICED BY THE COMPANY AND ITS SUBSIDIARIES ("THE GROUP").

The Group CG framework is premised upon the following statutory provision, best practices, rules and guidelines:
- Companies Act 2016 ("the Act").
- Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad; and
- Malaysian Code on Corporate Governance ("the Code").

This report demonstrates the steps taken by the Board to apply three (3) key principles highlighted in the CG code in respect of Board Leadership and Effectiveness, Effective Audit and Risk Management and Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

Good governance depends on capable and effective leadership, professional behaviour and ethical corporate culture. Therefore the Board acknowledges that it is their responsibilities to inculcate the appropriate culture, values which reinforce ethical, prudent and professional behaviour throughout the organisation to create a healthy and dynamic corporate culture within the Group.

BOARD LEADERSHIP AND EFFECTIVENESS

OVERVIEW

The Board

The Board as a whole continues to take ownership of effective leadership and the long-term success of the Group. The diversified skills and leadership experience offered by the Non-Executive Directors enables them to scrutinise performance, assess the Group's risk management and control processes and to support the Executive Directors.

Roles and Responsibilities of the Board

In discharging its functions and responsibilities, the Board is guided by the Board Charter, Authority Limits and Matters Reserved for the Board. The Board delegates certain roles and responsibilities to the Board Committees noted below whilst, amongst others, assuming the roles and responsibilities as stated below:

- Formulating and reviewing strategic plan for the Group quarterly;

  The Board reviews and approves the annual corporate plan for the Group which includes overall corporate strategy, operational plan and the budget. These plans include consideration on the environmental condition, changes to rules and regulations, and incorporate environmental and social responsibility strategies which underpin the sustainability of the business.

  The Board also intends to take steps to formalise a Sustainability Policy which sets out the business strategy that drives long-term corporate growth and profitability, by including environmental and social considerations in the business model. The Board will take steps to make available the policy on Group's corporate website.

- Overseeing the conduct of the businesses and financial performance of the Group;

  Guidance is provided to management through frequent meetings and reporting whilst line managers are given sufficient level of autonomy to make decisions. The skillset and experience of the Directors enable in-depth discussion and examination of issues on performance, strategy, compliance and resources are discussed and examined in depth in order to take into consideration the long-term interest of the Group's stakeholders.

Corporate Governance Overview Statement (cont'd)

Roles and Responsibilities of the Board (cont'd)

- Identifying and managing the principal risks of all aspects of the Group's operations and affairs;

  The Board with the assistance from management, regularly review, identify, evaluate, monitor and manage the principal risks faced by the Group.

  Details of the Risk Management are further discussed in the Statement on Risk Management and Internal Control.

- Ensuring all senior management positions are held by candidates of sufficient experience;

  The Board has established a formal organisation structure for the Group with delineated lines of authority, responsibility and accountability. The organisation structure is formed by focusing on performance delivery. It fosters and promotes the continual development of Executive Directors and key employees, thus enabling the Group to achieve its business objectives.

  Moving forward, the Board intends to focus on business continuity through establishing a formal succession planning, to ensure that key positions maintain some measure of continuity.

- Ensuring that effective communication with its shareholders and stakeholders is in place; and

  The Board strives to ensure that all shareholders have ready and timely access to all publicly available information of the Group and promote effective communication with shareholders so as to enable them to engage actively with the Group and exercise their rights as shareholders in an informed manner.

  The Board also strives to ensure that the Group's disclosed information is compliant to legal, listing authority and stock exchange requirements, especially price-sensitive information.

- Ensuring that a sound framework of reporting on management information and internal controls is in place.

  The Board's function in fulfilling the above responsibility is supported and reinforced through the various Committees established at both the Board and the management's level. Aided by independent outsourced Internal Audit and External Audit functions, the active functioning of these Committees through periodical meetings and discussions would provide a check and balance and reasonable assurance on the adequacy of the Group's internal controls.

  Details on the Internal Audit and External Audit functions are further discussed in the Statement on Risk Management and Internal Control and Audit Committee Report.

Role of Chairman

The Chairman leads and ensures the effectiveness of the board by among others, encouraging healthy debates by all directors, allowing sufficient time for discussion of issues and ensuring that the board's decisions fairly reflect board consensus.

The Board was led by YBhg. Tan Sri Dato' Wong Foon Meng, who had retired on 30 June 2023 and Datuk Amar Jaul Anak Samion was appointed on 1 July 2023 to take on the role of Independent Non-Executive Chairman of the Company subsequent to the retirement of YBhg. Tan Sri Dato' Wong Foon Meng. Over the years, he has accumulated vast experience in public sector and legislative experience at state and federal level, as well as corporate experience. The Board is confident; he will be able to show leadership, entrepreneurship skills, business insight as well as instilling sound corporate governance practices in the best interests of the Group.

Corporate Governance Overview Statement (cont'd)

Separation of role of Chairman and Group Managing Director (GMD)

The role of the Independent Non-Executive Chairman and the Group Managing Director ("GMD") are distinct and separate to ensure that there is a balance of power and authority.

The GMD has overall responsibility for the day-to-day management of the business and implementation of the Board's policies and decisions. The GMD is responsible to ensure due execution of strategic goals, effective operations within the Group, and to explain, clarify and inform the Board on key matters pertaining to the Group.

The GMD, YBhg. Tan Sri Datuk Tee Hock Seng, JP who has re-designated to Deputy Executive Chairman on 18 October 2023, was assisted by a team of senior management in managing the day to day operations of the Group for the financial year under review. Mr. Chai Chan Tong has been appointed as the new GMD cum Group Chief Executive Officer on 18 October 2023.

The Group continues to comply with the Code in respect of separation of role between Chairman and GMD.

Company Secretary

The Company Secretaries plays significant role in supporting the Board for ensuring that all governance matters and Board procedures are followed and that applicable laws and regulations are complied with.

The Company Secretaries also highlighted all compliance and governance issues which they feel ought to be brought to the Board's attention.

Information and Support for Directors

All Directors are provided with the meeting materials on a timely basis prior to the scheduled Board meetings. All Board papers, including those on complicated issues or specific matters and minutes of all Board Committee meetings, are distributed on a timely basis to ensure Directors are well informed and have the opportunity to seek additional information, and are able to obtain further clarification from the Company Secretary, should such a need arise.

The Board members are supplied with information and reports on financial, operational, corporate, regulatory, business development and audit matters by way of board reports or upon specific request to enable them to discharge their duties and responsibilities. All Directors are notified of the announcements release to Bursa Malaysia Securities Berhad ("Bursa Securities"). In addition, all Directors have access to the management and auditors for independent view and advice.

In furtherance of their duties, the Directors may seek independent advice, where necessary, at the expense of the Company, so as to ensure that they are able to make independent and informed decisions.

DIRECTORS' TRAINING PROGRAMME

The Board of Directors continues to evaluate and determine the training needs of its Directors to ensure continuing education to assist them in the discharge of their duties as Directors.

In addition to the Mandatory Accreditation Programmes required by the Bursa Securities, the Directors shall continue to update their knowledge and enhance their skills through appropriate continuing education programmes to keep them abreast with the current development of industry as well as any new statutory and regulatory requirements. This also will enable Directors to effectively discharge duties and sustain active participation in the Board deliberations.

Corporate Governance Overview Statement (cont'd)

DIRECTORS' TRAINING PROGRAMME (CONT'D)

The Directors had participated in various training programmes, seminars and briefings in relation to governance, industry, finance and regulatory developments. During the financial year under review the Board members attended the following training programmes, seminars and briefings:

DIRECTOR	TOPIC	DATE
Tan Sri Dato' Wong Foon Meng (retired on 30.6.2023)	• Compliance with Listing Requirements : Reporting of Financial Statements	17 January 2023
Tan Sri Datuk Tee Hock Seng, JP	• Compliance with Listing Requirements : Reporting of Financial Statements	17 January 2023
Dr Tony Tan Cheng Kiat	• Compliance with Listing Requirements : Reporting of Financial Statements	17 January 2023
Datuk Matthew Tee Kai Woon	• Compliance with Listing Requirements : Reporting of Financial Statements	17 January 2023
Chai Chan Tong (appointed on 19.1.2023)	• Compliance with Listing Requirements : Reporting of Financial Statements • Bursa Malaysia Mandatory Accreditation Programme (MAP)	17 January 2023 4 - 6 April 2023
Ooi Hee Kah (appointed on 19.1.2023)	• Compliance with Listing Requirements : Reporting of Financial Statements • Bursa Malaysia Mandatory Accreditation Programme (MAP)	17 January 2023 4 - 6 April 2023
Ir. Ghazali Bin Bujang (resigned on 1.8.2023)	• Compliance with Listing Requirements : Reporting of Financial Statements	17 January 2023
Mohd Najib Bin Abdul Aziz (resigned on 28.2.2023)	• Compliance with Listing Requirements : Reporting of Financial Statements	17 January 2023
Lee Hui Zien (appointed on 16.5.2023)	• Workshop on Exposure Draft on Third Edition of the IFRS for SMEs Accounting Standard • Training on amendments to MFRSs	9 February 2023 14 March 2023

* Datuk Amar Jaul Anak Samion, Ir. Azman Bin Bujang and Chee Su Kyun were appointed to the Board on 1.7.2023, 1.8.2023 and 29.9.2023 respectively. Hence, the training attended by them before the appointment was not included.

BOARD MEETINGS

The Board meeting calendar scheduling the meeting dates of the Board for each financial year were fixed in advance for the whole year to ensure that all Board meeting dates are booked and also to enable the Management's planning for the whole financial year.

The Board meets at least four (4) times a year with additional meetings being convened where necessary. The Board obtains the commitment from Directors to devote sufficient time and efforts to carry out their responsibilities at the time of their appointment. Each Director is expected to commit time as and when required to discharge the relevant duties and responsibilities, besides attending meetings of the Board and Board Committees. None of the Directors of Group serve in more than five (5) listed companies. The present directorships in external organisations held by the Group's Directors do not give rise to any conflict of interests nor impair their ability to discharge their responsibilities to the Group. Board meetings for the ensuing financial year are scheduled in advance before the end of the current financial year so that the Directors are able to plan and schedule ahead for their attendance to the Board meetings in the coming year.

For the financial year ended 30 June 2023, the Board met four (4) times. The Board meetings were held on 29 August 2022, 29 November 2022, 27 February 2023 and 30 May 2023.

Corporate Governance Overview Statement (cont'd)

BOARD MEETINGS (CONT'D)

The Board is satisfied with the level of time commitment given by Directors towards fulfilling their roles and responsibilities as Directors which is evidenced by their attendance at the Board meetings as follows:

NAME OF DIRECTOR	BOARD MEETINGS
Tan Sri Dato' Wong Foon Meng (retired on 30.6.2023)	4/4
Tan Sri Datuk Tee Hock Seng, JP	4/4
Dr Tony Tan Cheng Kiat	4/4
Datuk Matthew Tee Kai Woon	4/4
Chai Chan Tong (appointed on 19.1.2023)	2/2
Ooi Hee Kah (appointed on 19.1.2023)	2/2
Ir. Ghazali Bin Bujang (resigned on 1.8.2023)	4/4
Mohd Najib Bin Abdul Aziz (resigned on 28.2.2023)	2/3
Lee Hui Zien (appointed on 16.5.2023)	1/1

* Datuk Amar Jaul Anak Samion, Ir Azman Bin Bujang and Chee Su Kyun were appointed to the Board after the financial year ended 30 June 2023 on 01.07.2023, 01.08.2023 and 29.09.2023 respectively.

All Directors have complied with the minimum requirements on attendance at Board meetings as stipulated in the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") (minimum 50% attendance).

Board Charter

The Board has in place a Board Charter which is accessible on the Group website. The Board Charter demarcates the responsibilities between Board, Board Committee, Chairman, Group Managing Director, Individual Director and Company Secretaries.

The Board shall review the said Charter periodically and any amendments/improvements shall be made thereto as and when the Board deems appropriate and necessary. Any subsequent amendments shall be approved by the Board.

Code of Conduct and Ethics

Code of Conduct and Ethics defines the standards of conduct that are expected of Directors and employees to help them make the right decision in the course of performing their jobs to the highest standards of ethics, integrity and governance. Details of the Code of Conduct and Ethics which includes policies and procedures for managing conflicts of interest as well as preventing abuse of power, corruption, insider trading and money laundering is accessible from the Group's corporate website.

Establishing and Implementation of Whistleblowing Policies and Procedures

The Board encourages employees and associates to report suspected and/or known misconduct, wrongdoings, corruption and instances of fraud, waste, and/or abuse involving the resources of the Group. The Whistleblowing Policy established by the Group provides and facilitates a mechanism for any employee and associate to report concerns about any suspected and/or known misconduct, wrongdoings, corruption, fraud, waste and/or abuse.

The Whistle-Blowing Policy is available on the Group's corporate website for ease of access for reporting by employees and associates of the Group.

Corporate Governance Overview Statement (cont'd)

BOARD MEETINGS (CONT'D)

Presence of Independent Directors on the Board

The Board believes that the current composition is appropriate given the collective skills and experience of the Directors. The Board is of the view that with the current Board size, there is no disproportionate of power and authority on the Board between the Non-Independent and Independent Directors. The Board will continue to monitor and review the Board size and composition as may be needed.

As at the date of this statement, the Board currently has nine (9) members comprising four (4) Non-Executive Directors and five (5) Executive Directors. The Board is made up of an Independent Non-Executive Chairman, a Deputy Executive Chairman, a Group Managing Director cum Group Chief Executive Officer, a Founder Director (Executive), two (2) Executive Directors and three (3) Independent Non-Executive Directors. There is one (1) female Director on the Board which representing 11% of the total Board members. The Board has complied with Paragraph 15.02 of the MMLR which requires at least two (2) Directors or one third (1/3) of the Board (whichever is higher) to be Independent Directors and one (1) woman Director.

Tenure of Independent Directors

The Board has considered the independence of each Independent Non-Executive Director in office as at the date of Annual Report and has concluded that the independence criteria as set out by MMLR have been met satisfactorily. The Board is generally satisfied that each Independent Non-Executive Director remains independent in character and judgement and is free from relationships or circumstances which are likely to affect or could appear to affect the Director's judgement.

To enhance the current process, Independent Non-Executive Directors will be required to declare formally on an annual basis his/her independence. The Board took note of the recommendation by the Code, that the tenure of an Independent Director should not exceed a term limit of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board as a Non-Independent Director. If the Board intends to retain such a Director as an Independent Director beyond nine (9) years, the Board will need to justify the decision and seek shareholders' approval at a general meeting through a two-tier voting process.

1/3 of Directors are subject to retirement by rotation yearly or at the interval of every 3 years. Information on Directors who are retiring and who are willing to serve if so re-elected is disclosed in the notice of meeting.

Diversity on Board and in Senior Management

The Board acknowledges importance of fostering diversity to enhance the effectiveness of the Board and senior management.

The Board takes appropriate measures to ensure that boardroom diversity is considered as part of its selection and recruitment exercise. However, the merits of the individual and knowledge and expertise relevant to the Company will be the main criteria when considering the selection of new candidates to the Board and/or senior management team.

Although currently, the Company do not have a written policy on diversity pertaining to the selection of its Board members and senior management team, the Board always taken into account diversity as one of the selection criteria.

The Board takes note of the Code with regard to Board gender diversity.

Appointment of Directors

The Board is responsible for the appointment of Directors. It has formulated the terms of reference of the Nominating Committee ("NC") and has identified the composition of the Committee members. It is the Board's policy for Directors to notify the Chairman before accepting any new directorships notwithstanding that the MMLR of Bursa Securities allow a Director to sit on the board of 5 listed issuers. The Board had formalised the Boardroom Appointment and Performance Evaluation processes.

Corporate Governance Overview Statement (cont'd)

BOARD MEETINGS (CONT'D)

Appointment of Directors (cont'd)

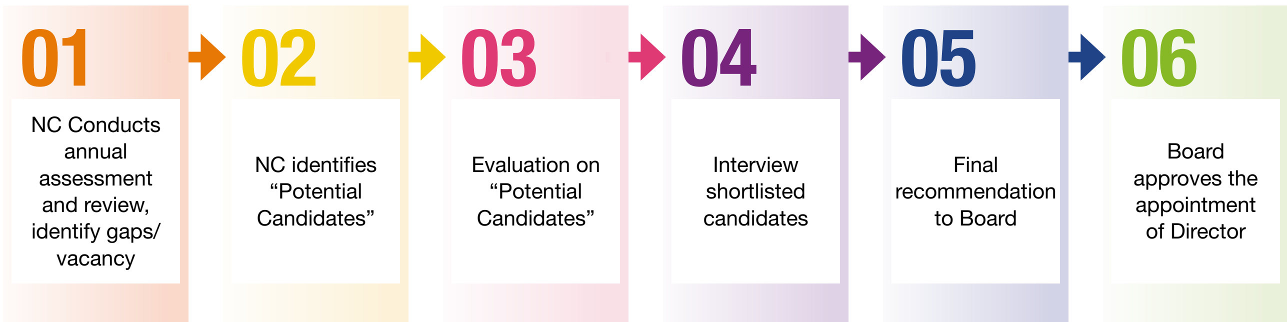
The processes will be as follow:

Boardroom Appointments

The selection, nomination and appointment of suitable candidates to the Board follow a transparent process.

Review of candidates for Board appointment has been delegated to the NC. NC is also responsible to review the existing composition of the Board, identifying the gaps and subsequently review and recommend to the Board a suitable candidate with the relevant skillsets, expertise and experience.

The Group's Boardroom appointment process is as follows:



Boardroom Membership Criteria

In reviewing and recommending to the Board any new Director appointments, the NC considers:

a) Age, skills, knowledge, expertise, experience, professionalism, integrity, capabilities and such other factors which would contribute to the Board's collective skills;
b) Competing time commitments if the candidate has multiple board representations;
c) Composition requirements for the Board and Committees; and
d) Independence, for the appointment of an Independent Non-Executive Director.

In identifying candidates for appointment of Directors, the Board does not solely rely on recommendations from existing board members, management or major shareholders.

THE BOARD COMMITTEE

Nominating Committee

The Nominating Committee ("NC") which comprises three (3) Directors, are exclusively made up of Independent Non-Executive Directors and is chaired by YBhg. Tan Sri Dato' Wong Foon Meng who is an Independent Director, before his retirement on 30 June 2023. Subsequent to his retirement, the NC Chairman is Mr. Chee Su Kyun, an Independent Non-Executive Director of the Company. The NC is responsible for nominating to the Board individuals as Directors and for assessing the Directors on an ongoing basis.

The Nominating Committee's Terms of Reference ("TOR") is available on Group's corporate website. The Terms of Reference discloses the following in compliance with the MMLR of Bursa Securities:

i) Board composition;
ii) Objectives of the committee;

Corporate Governance Overview Statement (cont'd)

THE BOARD COMMITTEE (CONT'D)

Nominating Committee (cont'd)

The Nominating Committee's Terms of Reference ("TOR") is available on Group's corporate website. The Terms of Reference discloses the following in compliance with the MMLR of Bursa Securities (cont'd):

iii) Meetings and access to information;
iv) Authorities; and
v) Duties and Responsibilities.

In the process of selecting and evaluating candidates, the NC takes into consideration suitability for the role, Board balance and composition, mix of skills, experience, knowledge and other qualities as well as diversity in terms of gender, age and ethnicity background.

ThAn assessment mechanism is in place to assess on an annual basis, the effectiveness of the Board as a whole and the Board Committees and the contribution of each individual Director. The annual assessment enables the Board to ensure that each of the Board members including the Group Managing Director has the character, experience, integrity, competence and time to effectively discharge their respective roles.

The key activities undertaken by the NC during the year are as follows:

a) Recommending and reviewing the Policy on Board Composition;
b) Reviewing the TORs of the Board Committees;
c) Reviewing compliance of Board Committees with their respective TOR; and
d) Reviewing the Term of Office and performance of the Audit Committee.

Evaluation for Board, Board Committees and Individual Directors

The purpose of the Board Evaluation is to assess the processes by which the Board fulfils its responsibilities, including those provided by the Code and outlined by the Board Charter.

The Board, through its Nominating Committee, undertakes an evaluation each year in order to assess how well the Board, its committees, the Directors and the Chairman are performing including assessing the independence of Independent Directors after taking into account the individual Director's capability to exercise independent judgement at all times.

The evaluation covers the Director's composition, combination of skills, experience, communication, roles and responsibilities, effectiveness as well as conduct. All Directors complete questionnaires regarding the Board and Committees' on the processes, their effectiveness and where improvements may be considered.

The outcome of the evaluation exercise is reported to the Nominating Committee and then to the Board for review.

The Director Performance Evaluation Process is as follow:

Corporate Governance Overview Statement (cont'd)

THE BOARD COMMITTEE (CONT'D)

Evaluation for Board, Board Committees and Individual Directors (cont'd)

The criteria used in the Director Assessment process:

- Integrity, Commitment and Ethics
- Governance
- Strategic Perspective
- Adding Value
- Judgement and Decision Making
- Teamwork
- Communication
- Commitment

Individual board members' performances are tied to a full board assessment process. Board members rate their own performance at the same time that they rate board performance.

The main elements used in the Board and Committee assessment process:

1. Board Mix and Composition

Composition, constitution and diversity and that of its Committees, competencies of the members, review of Board and Committee charters and frequency of meetings.

2. Skills and Expertise

Determination of the skill, knowledge and expertise a board should ideally hold, those it holds currently and the identified gaps.

3. Dynamics and Functioning of the Board

Availability of timely and accurate information, interaction and communication with senior management, setting of Board agenda, cohesiveness and the quality of participation of members in meetings.

Remuneration Policy and Procedures for Directors and Senior Management

The Group has adopted the Remuneration Policy that link the level of remuneration to the experience and level of responsibilities undertaken by a Non-Executive Director and to structure the component parts of remuneration so as to link rewards to corporate and individual performance of Executive Directors and ensure it was aligned with the business strategy and long-term objectives of the Group.

The performance of the Executive Director is measured based on the achievements of his annual performance as well as the performance of the Group. The Group rewards its employees and the Executive Directors with options under the Share Issuance Scheme (SIS).

The details of the vesting of options under the SIS are set out on page 65 under the Directors' Report of the Audited Financial Statements for the FY2023.

Corporate Governance Overview Statement (cont'd)

THE BOARD COMMITTEE (CONT'D)

Remuneration Committee

The Remuneration Committee ("RC") is chaired by YBhg. Tan Sri Dato' Wong Foon Meng, who has retired on 30 June 2023. Subsequent to his retirement, the RC Chairman is Mr. Chee Su Kyun, an Independent Non-Executive Director of the Company. The RC comprises of four (4) Directors, of which three (3) are Independent Non-Executive Directors and one (1) Director is the Executive Director.

The Remuneration Committee's Terms of Reference ("TOR") is available on Group's corporate website. The terms of reference are as follows:

(a) Review and recommend the entire individual remuneration packages for each of the Directors and key management of the Group;
(b) Ensure that a strong link is maintained between the level of remuneration and individual performance against agreed targets, the performance-related elements of remuneration forming a significant proportion of the total remuneration package of the Directors and key management of the Group; and
(c) Review and recommend to the Board of Directors of the Group the remuneration structure and policy and the terms of employment or contract of employment/service, any benefit, pension or incentive scheme entitlement; other bonuses, fees and expenses; any compensation payable on the termination of the service contract for the Directors and key management.

Disclosure of Remuneration

Aggregate remuneration of Directors categorised into appropriate components:

	COMPANY		GROUP	
	EXECUTIVE DIRECTORS RM'000	NON-EXECUTIVE DIRECTORS RM'000	EXECUTIVE DIRECTORS RM'000	NON-EXECUTIVE DIRECTORS RM'000
Salaries, Bonus & Socso	1,438		1,438	-
Fee	112	240	172	240
Defined Contribtion Plan	99	-	99	-
Benefit-in-Kind	-	-	-	-
Total	1,649	240	1,709	240

Corporate Governance Overview Statement (cont'd)

THE BOARD COMMITTEE (CONT'D)

Disclosure of Remuneration (cont'd)

Aggregate remuneration of the Directors for the financial year ended 30 June 2023:

NAME	SALARIES RM	FEES RM	OTHER EMOLUMENTS RM	TOTAL RM
Executive Directors				
Tan Sri Datuk Tee Hock Seng, JP	952,000	12,000	38,798	1,002,798
Dr Tony Tan Cheng Kiat	-	-	-	-
Datuk Matthew Tee Kai Woon	486,000	72,000	59,325	617,325
Chai Chan Tong (appointed on 19.1.2023)	-	44,000	-	44,000
Ooi Hee Kah (appointed on 19.1.2023)	-	44,000	-	44,000
Non-Executive Directors				
Tan Sri Dato' Wong Foon Meng (retired on 30.6.2023)	-	120,000	-	120,000
Ir. Ghazali Bin Bujang (resigned on 1.8.2023)	-	72,000	-	72,000
Mohd Najib Bin Abdul Aziz (resigned on 28.2.2023)	-	40,000	-	40,000
Lee Hui Zien (appointed on 16.5.2023)	-	7,742	-	7,742

The number of Senior Management for the financial year under review, whose remuneration falls within the respective bands is as follows:

	RM150,000 – RM250,000
Senior Management	5

The Group does not comply with the recommendation to disclose on named basis the top five senior management's remuneration in the bands of RM50,000 in order to preserve confidentiality and would be detrimental to the Group as this will facilitate opportunity for competitors to pinch the Group's top senior management.

EFFECTIVE AUDIT AND RISK MANAGEMENT

Chairman of Audit Committee

Ir. Ghazali Bin Bujang chaired the Committee and is not the Chairman of the Board. This is in compliance with the step up recommendation of the Code and MMLR of Bursa Securities.

Ir. Ghazali Bin Bujang has resigned on 1 August 2023 and Mr. Chee Su Kyun was appointed as chairman of the Committee subsequent to his retirement.

Corporate Governance Overview Statement (cont'd)

EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

Cooling off period for Key Audit Partner and Assessment of External Auditor

The Audit Committee will undertake an annual assessment on the performance of internal and external auditors, including the suitability and independence of the auditors, in accordance with the Group's policy. Both the internal and external auditors are independent.

The Group has in place a policy that requires a former key audit partner of existing external auditor to observe a cooling-off period of at least two years before being appointed as a member of the Audit Committee.

The Board has in place a formalised External Auditors Assessment Policy to enhance the External Auditors assessment processes and procedures. The policy shall assess the performance, suitability, objectivity and independence of the external auditor.

The functions of the Audit Committee in relation to the external and internal auditors are disclosed in pages 36 to 39 of the Annual Report.

Independence of Audit Committee

The Committee consists of three (3) members of which all are independent non-executive directors. None of them are alternate Directors.

Financial Literacy of Audit Committee Member

The Audit Committee possess the right mix of skills to discharge its duties effectively.

The AC members are financially literate, have commercial expertise skills, knowledge and understanding of the matters under the purview of the AC including the principles and developments of financial reporting. They constantly keep abreast of relevant changes to financial reporting standards and issues which have a significant impact on the financial statements through regular updates from the external auditors and the Executive Directors.

Risk Management and Internal Controls

The Board remains committed to ensuring that its communications with shareholders continue to present a fair, balanced and understandable assessment of the Group and its prospects. The Board is responsible for determining the nature and extent of the significant risks it is willing to take in achieving its strategic objectives.

The Group has an ongoing process for identifying, evaluating and managing key risks in the context of its business objectives. These processes are embedded within the Group's overall business operations and guided by operational manuals and policies and procedures.

The Board assisted by management regularly review, identify, evaluate, monitor and manage the principal risks faced by the Group. In addition, the internal auditors, using a risk-based approach, annually review the operational procedures and processes to ensure the integrity of the system of internal control.

Oversight of risk has been delegated to the Audit Committee ("AC"). The AC has responsibility for regularly reviewing the risk management assessment to ensure it remains sound. The AC is assisted by Board Executive Committee which are responsible for driving and supporting risk management across the Group.

The Statement of Risk Management and Internal Control is set out in page 56 the Annual Report outlines the principal risks and uncertainties associated with the Group's business. The Audit Committee monitors and reports on the Group's risk management systems, corporate reporting and internal control principles. The committee is also responsible for maintaining an appropriate relationship with its internal and external auditors which is set out on pages 36 to 39 of the Audit Committee Report.

Corporate Governance Overview Statement (cont'd)

EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

Effectiveness of Internal Audit Function

The Group outsourced its internal audit function to an independent internal audit service provider, Tricor Axcelasia Sdn. Bhd. The primary function of internal audit is to undertake systematic reviews of the governance, risk and internal control systems within the Group in accordance with an internal audit plan, so as to provide assurance that such systems are adequate and functioning as proposed.

The internal audit function's responsibilities are to provide independent and objective reports on the state of internal controls of the various operating units within the Group to the Audit Committee and provide recommendations for the improvement of the control procedures, so that corrective actions are taken to mitigate weaknesses noted in the system and controls of the respective operating units.

Details of the internal audit activities and scope of coverage of the outsourced internal audit function including the cost incurred are set out in the Statement on Risk Management and Internal Control included in this Annual Report.

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Communication with Stakeholders

The Board is committed to ensure that Group continues to engage effectively with the shareholders to facilitate a mutual understanding of objectives. The Group has a number of formal channels in place to effectively communicate this information to all the shareholders and stakeholders. The Board primarily achieve this through the following activities; the annual report, announcements to Bursa Securities, quarterly reports, Group's website and investor relations.

The Group also maintains a website which shareholders and other stakeholders can gain access to information about the Group, activities and/or any announcements made by the Group. This can all be located at www.binapuri.com.my.

Notice of General Meeting

The notice of Annual General Meeting ("AGM") is sent out to the shareholders at least 28 days before the date of the meeting so that shareholders have adequate time to consider the resolutions that will be discussed at the AGM.

The AGM serves as a principal forum for dialogue with shareholders. Extraordinary General Meetings are held as and when required.

Attendance of Directors at General Meeting

During the AGM, the Board presents the financial performance of the Group as contained in the Annual Report. Shareholders are encouraged to participate and are given every opportunity to raise questions and seek clarification during the session. All the Board members are available to respond to shareholders' queries.

Use of Technology for Shareholders' Voting

Since 2018, the general meeting have adopted the voting exercise via electronic polling for convenience of the shareholders.

Corporate Governance Overview Statement (cont'd)

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

CG Report

As required under paragraph 15.25 (2) of MMLR of Bursa Securities, the Group's application of each Practice of the CG Code during the financial year and explanation for departure and setting out timeline for compliance or alternative practice is set out in the Group CG Report and can be downloaded at www.binapuri.com.my.

ADDITIONAL DISCLOSURE

(a) Share Buy-Back

There was no Share Buy-Back during the financial year ended 30 June 2023.

(b) Options, Warrants or Convertible Securities Exercised

There were 1,000 warrants have been exercised and no options has been exercised during the financial year ended 30 June 2023.

(c) American Depository Receipt ("ADR") or Global Depository Receipt ("GDR")

There was no ADR or GDR Programme sponsored by the Company.

(d) Sanctions and/or Penalties Imposed

There were no sanctions and/or penalties imposed on the Company or its subsidiaries, directors or management by the relevant regulatory bodies.

(e) Non-Audit Fees

The amount of non-audit fees paid to a company affiliated to the auditors' firm by the Company and its subsidiaries for the financial period ended 30 June 2023 was RM84,000.

(f) Variation of Results

The results for the financial year ended 30 June 2023 do not differ by 10% or more from the unaudited results previously released.

(g) Profit Guarantee

The Company has not issued any profit guarantee in the financial year ended period ended 30 June 2023.

(h) Material Contracts

None of the directors and major shareholders has any material contract with the Company and/or its subsidiaries during the financial year under review.

(i) Revaluation Policy on Landed Properties

The Group did not adopt a policy on regular revaluation of its landed properties.

(j) 30% Private Placement

Bursa Securities had, vide its letter dated 1 November 2022, approve the proposed private placement of up to 479,293,900 new Bina Puri Shares, representing 30% of the existing number of issued Bina Puri Shares, to independent investor(s) to be identified;

Corporate Governance Overview Statement (cont'd)

ADDITIONAL DISCLOSURE (CONT'D)

(j) 30% Private Placement (cont'd)

The Company had successfully placed out 479,293,900 new Bina Puri Shares pursuant to the Private Placement, which raised cumulative gross proceeds of approximately RM16.775 million as detailed in the table below. The Private Placement has been completed following the listing and quotation of 479,293,900 Placement Shares on the Main Market of Bursa Securities on 23 December 2022.The Company has utilised the proceeds in the following manner:

	Amount raised from the Private Placement RM'000	Amount utilised RM'000	Amount unutilised RM'000
Property development projects	3,750	(3,750)	-
Construction projects	3,750	(3,750)	-
Repayment of bank borrowings	7,500	(7,500)	-
Repayment of outstanding trade payables	1,160	(1,160)	-
Expenses in relation to the Private Placment	615	(615)	-
	16,775	(16,775)	-

(k) Rights Issue with warrants

On 21 June 2022, the Company proposed to undertake a renounceable rights issue of up to 1,659,793,300 Rights Shares together with up to 331,958,660 Free Detachable Warrants B on the basis of 2 Rights Shares for every 3 existing Bina Puri Shares held together with 1 Warrant B for every 5 Rights Shares subscribed on the Entitlement Date.

The rights issue with warrants was approved by the shareholders of the Company through the Extraordinary Shareholders' Meeting held on 5 December 2022.

The Company had successfully issued 1,292,772,689 new Bina Puri Shares with gross proceeds of RM45.25 million. The Rights Issue with Warrants has been completed following the listing of and quotation for 1,292,772,689 Rights Shares and 258,554,471 Warrants B on the Main Market of Bursa Securities on 20 April 2023. The status of the utilisation of the proceeds as follows:

	Amount raised from the Private Placement RM'000	Amount utilised RM'000	Re-allocation RM'000	Amount unutilised RM'000	Estimated Timeframe for utilisation (from listing date) RM'000
Property development projects	10,000	(10,000)	-	-	24 months
Construction projects	10,000	(10,000)	-	-	24 months
Repayment of bank borrowings	20,000	(18,500)	-	1,500	12 months
Repayment of outstanding trade payables	4,147	(4,448)	301	-	12 months
Expenses in relation to the Rights Issue	1,100	(799)	(301)	-	1 month
	45,247	(43,747)	-	1,500	

Corporate Governance Overview Statement (cont'd)

ADDITIONAL DISCLOSURE (CONT'D)

(i) Share Issuance Scheme ("SIS")

The SIS of the Company is governed by the SIS By-Laws and was implemented on 1 March 2019. The SIS is in force for a period of five (5) years effective from 1 March 2019 and will be expiring on 29 February 2024.

DATE OF OFFER	EXERCISE PRICE OF OPTION OFFERED (RM)	TOTAL NUMBER OF OPTIONS OFFERED
17 February 2020	0.076	114,575,000

Please refer to page 65 and 178 of the Annual Report for the further details on the SIS.

Statement on Risk Management and Internal Control

INTRODUCTION

THE MALAYSIAN CODE OF CORPORATE GOVERNANCE 2021 ("THE CODE") STIPULATES THAT THE BOARD OF DIRECTORS ("THE BOARD") OF LISTED COMPANIES SHOULD MAINTAIN A SOUND RISK MANAGEMENT FRAMEWORK AND INTERNAL CONTROL SYSTEM TO SAFEGUARD SHAREHOLDERS' INVESTMENTS AND THE GROUP'S ASSETS. PURSUANT TO PARAGRAPH 15.26(B) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES") AND THE STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL: GUIDELINES FOR DIRECTORS OF LISTED ISSUERS ("GUIDELINES"), THE BOARD IS PLEASED TO PROVIDE THE FOLLOWING STATEMENT, WHICH OUTLINES THE MAIN FEATURES AND ADEQUACY OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023.

BOARD'S RESPONSIBILITY

The Board recognises the importance of maintaining an effective risk management practice and a sound system of internal control of the Group as a whole. The Board also affirms its responsibility of reviewing the adequacy and integrity of these systems, so as to safeguard shareholders' investments and the Group's assets.

However, it should be noted that any system of internal control and risk Management is designed to manage rather than to eliminate the risk of failure to achieve the Group's strategic business and operational objectives within the risk appetite established by the Board and management. Accordingly, they can only provide reasonable and not absolute assurance against material misstatement, loss or fraud.

KEY RISK MANAGEMENT AND INTERNAL CONTROL FEATURES

The Group has a well-defined organisational structure with clearly defined lines of accountability, authority and responsibility to the Board, its committees and functional units. Key processes have been established in reviewing the adequacy and effectiveness of the risk management and internal control system including the following:

- The Group Executive Committee was established to manage the Group's operating divisions in accordance with corporate objectives, strategies, policies and annual budgets as approved by the Board.

- The Audit Committee ("AC") of the Group performs regular risk management assessments and through the Internal Audit function, reviews the internal control processes, and evaluates the adequacy and effectiveness of the risk management and internal control system. The AC also seeks the observations of the independent external and internal auditors of the Group. Further details are set out in the Audit Committee Report.

- Senior Management and Head of Department is responsible for implementing the processes for identifying, evaluating, monitoring and reporting of risks and internal control, taking appropriate and timely corrective actions as needed, to support the Group's risk management philosophy, promote compliance and manage risks.

Risk Management

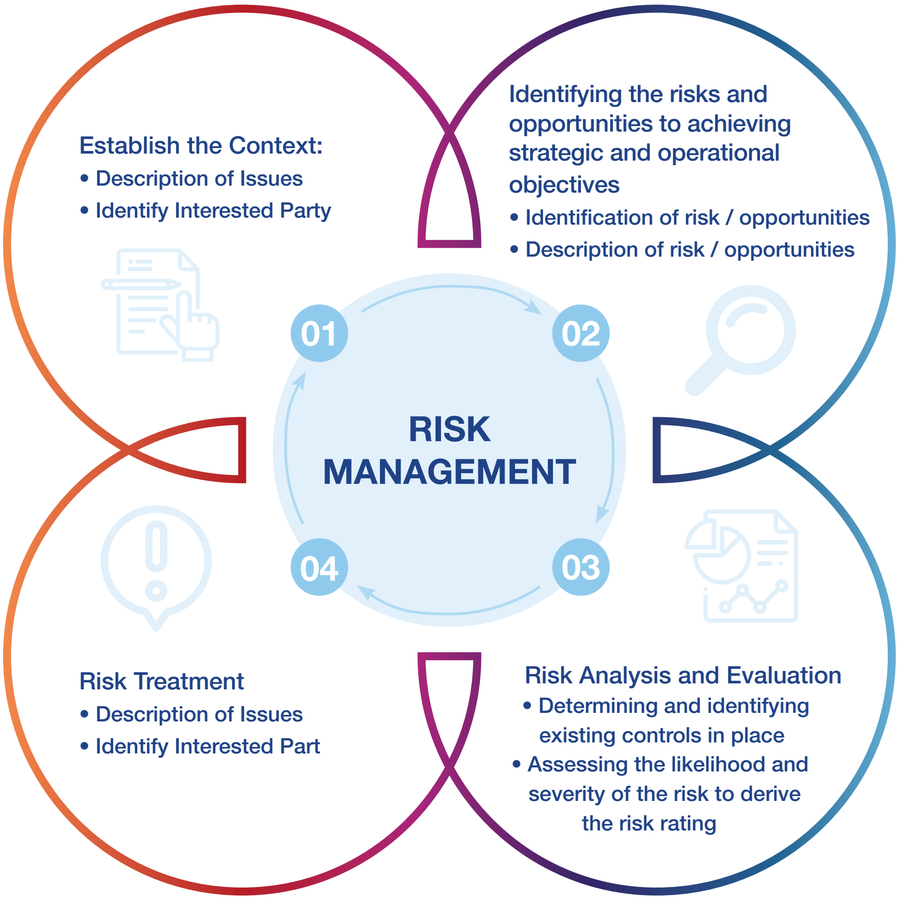
The Group has an ongoing process for identifying, evaluating and managing key risks in the context of its business objectives. These processes are embedded within the Group's overall business operations and guided by operational manuals and policies and procedures.

The Board assisted by management regularly review, identify, evaluate, monitor and manage the principal risks faced by the Group. In addition, the internal auditors, using a risk-based approach, annually review the operational procedures and processes to ensure the integrity of the system of internal control.

Statement on Risk Management and Internal Control (cont'd)

Risk Management (cont'd)

The Group adopted the followings steps for its risk management:



Through quarterly Board meeting discussion and operational meeting among project team, the Group had identified major risk areas of concern and mitigating actions were undertaken within appropriate timeframes. The Group's significant risks identified for the financial year ended 30 June 2023 are outlined below:

PRINCIPAL RISKS	DESCRIPTION	RISK MITIGATION STRATEGIES
Economic Risk	Slowdown in the local and global economy may affect the Property and Construction Division's order book replenishment and result in overcapacity situations in its capital resources. The Construction division anticipates a less favourable outlook and more competitive tender environment due to limited availability of local mega pro. All of these factors affect the Group's profitability.	• Securing long term yearly income recurring projects; • Exploring various business and geographical diversifications; • Regularly reviewing the business plans against performances to address any gaps or shortfalls • Securing long term yearly income recurring projects; • Exploring various business and geographical diversifications; • Regularly reviewing the business plans against performances to address any gaps or shortfalls; • Maintaining good relationships with contractors and suppliers in order to negotiate for more favourable terms; • Enhancing customer retention and also obtaining awards of projects from new customers;

Statement on Risk Management and Internal Control (cont'd)

PRINCIPAL RISKS	DESCRIPTION	RISK MITIGATION STRATEGIES
Economic Risk (cont'd)		• Enhancing efficiency and productivity in its operations, particularly in project management; • Adopting innovative marketing strategies with appropriate product differentiation and flexibility in product offerings to suit the market demand for its properties.
Project Risk	These are risks associated with projects that are of specific nature, in particular, project management and construction risks in relation to both Construction and Property divisions, in both short and long term, potentially arising from delay in project completion, escalating construction costs, shortages of construction materials, supply chain efficiency and shortage of workers and experienced project managers.	• Develop an effective strategy for managing project risks • Develop a set of key criteria to manage the significant risks that are common within most projects. • Setting a project governance structure consisting of clear project definition and planning process • An effective talent management program. • Specific risks associated with project management are normally delegated to project managers for attention and action. • Frequent site visits by contract officers and project management team
Financial Risk	This is related to the risk that the Group may have inadequate cash flow to meet its financial obligations. The financial risks are in relation to interest rates, foreign currency, liquidity and credit.	• The Group constantly seeks to ensure that there is a reduction in cash outflow and increased cash inflow for the development of the Group's businesses, at the same time taking into consideration the impact of currency fluctuation, interest rates, credit risks and other risks related to the external market. • The Group's fund raising exercises include Private Placement to investors and Rights Issue to all shareholders of Bina Puri Holdings Bhd.

Key Elements of the Group's Internal Control System

Authority and Responsibility

i. **Organisation Structure**

The Group has a comprehensive organisational structure which organises business operations. Clear lines of reporting, authority and segregation of duties are well documented in the organisation chart. The structure promotes ownership and accountability and delegated authority for planning, executing, controlling and monitoring of business operations. This structure is subject to periodic review to incorporate any emerging business needs.

ii. **Clear Description of Roles and Responsibilities**

Each role in the organisation structure is supported by clear job description established, which are linked to the vision, mission and business strategies of the Group.

iii. **Delegation Authority Limit ("DAL")**

The Group DAL is subject to regular review and update to promote organisational efficiency and ensure it is aligned with the Board's risk appetite.

Statement on Risk Management and Internal Control (cont'd)

Policies and Procedures

Policies and Procedures are established to ensure consistency in complying with related Group's operations requirement. New and revised policies are formulated to cater business needs or risks arise and to support implementation of proper governance of the Group.

Policies and Procedures are subject to periodic review to ensure it remains effective and relevant to the business growth and transformation. The Group's Policies and Procedures are categorised as follows:

i. Board Policies

Board level policies comprise Board Charters, Terms of References of Board Committees to ensure proper working of the Board in the handling of risk and control matters of the Group.

These are further explained in detail in the Corporate Governance Overview Statement.

ii. Operational Policies and Procedures

Systematic documented standard operating policies and procedures that cover various operational areas which are subject to regular review and improvement. Other Policies and Procedures required by ISO 9001:2015 Quality Management System, are subject to regular review and improvement, to continually manage and controls the quality requirement of the Group's products and services.

iii. Code of Conduct and Ethics, and Whistle-blowing Policy

The Board has formalised a Code of Conduct and Ethics and a Whistle-blowing Policy to ensure the Board, senior management and employees' business decisions follow the Group commitment to the highest ethical standards and law, and to provide a channel for employees and stakeholders to provide information on frauds, wrongdoings and non-compliance with regulations and procedures by a vendor, customer or employee of the Group.

Human Resource Management and Development

A standardised performance management system is developed to continually appraise and reward the employees of the Group in accordance with their performance. Emphasis is also placed on enhancing the quality and capability of human assets through training and development programs, which enhances their ability to meet their performance and job expectations.

Monitoring

i. Financial and Operational Review

The Group presents its financial results to the Audit Committee for review in each quarter before financial statement is tabled to the Board for approval and subsequent announcement to Bursa Securities. The quarterly review enables the AC to assess and deliberate the Group's financial results, operational performance and variances against budget to enable them to monitor and contribute towards improving the performance of the Group.

ii. Budgetary Review

The Group performs an annual budgeting and forecasting exercise, including the development of business plan and performance targets for the Group. A comprehensive operating and capital expenditure requirement is tabled to the Board for approval prior to the commencement of a new financial year.

Statement on Risk Management and Internal Control (cont'd)

iii. Internal Audit Function

The Group had established an Audit Committee with the primary objective of assisting the Board to review the adequacy and integrity of the Group's internal control. In discharging its duties, the internal audit function of the Group is outsourced to Tricor Axcelasia Sdn. Bhd. ("Tricor Axcelasia").

The Tricor Axcelasia independently reviews the adequacy and integrity of the system of internal control and reports to the Audit Committee on a regular basis. The annual audit plan covering the key activities of the Group is tabled to the Audit Committee for discussion and approval. The Internal Auditors review the Group's internal control system based on a risk-based approach and guided by accepted internal auditing practices.

For the financial year ended 30 June 2022, Tricor Axcelasia has completed one (1) internal control review according to the approved annual audit plan. The findings arising from the internal control reviews together with recommendations, management responses and proposed action plans were promptly reported to the Audit Committee. The audit plan is further explained in detail in the Audit Committee Report.

The Audit Committee, on behalf of the Board, reviews the measures undertaken on internal control issues identified by the Internal Auditors. The Board will discuss with the Audit Committee and management on matters relating to internal controls and deliberates on their recommendations for implementation.

iv. Other Reviews

Frequent site visits by contract officers and project management team are established in monitoring the progress of projects undertaken by the Group. The ongoing performance of each business operating unit is reviewed on a monthly basis and these performance reviews are escalated to the Board on a quarterly basis.

THE BOARD'S STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board believes that the risk management and system of internal control are in place for the year under review and up to the date of issuance of financial statements, are effective and adequate to safeguard shareholders' investment, the interest of regulators and employees and has not resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's annual report.

The Board has received assurance from the Group Managing Director that the Group's risk management and internal control system are operating adequately and effectively, in all material aspects throughout the year under review.

The Board is committed to continually strengthen the transparency and efficiency of the Group's operations and control environment. This will be supported by an assessment independent of operations on the adequacy and integrity of the controls by the Internal Auditors. Other initiatives deemed necessary will be considered from time to time in order to ensure that the control environment remains reasonably secure.

The Statement on Risk Management and Internal Control does not deal with the associated companies and joint ventures as the Group does not have management control over their operations.

The internal control system is reviewed on an ongoing basis by the Board, Audit Committee and Management for the monitoring of compliance with policies and procedures. The Heads of Department as well as the respective Project Managers are involved in continually improving the control processes within their respective departments and projects.

Statement on Risk Management and Internal Control (cont'd)

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the Main Market Listing Requirements of Bursa Securities, the external auditors have conducted a limited assurance engagement on this Statement on Risk Management and Internal Control. Their limited assurance review was performed in accordance with ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Information and Audit and Assurance Practice Guide 3 (previously RPG 5 (Revised 2015) ("AAPG 3"), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control.

Based on their procedures performed, the External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that this statement is not prepared, in all material aspects, in accordance with disclosure required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Controls: Guidance for Directors of Listed Issuers to be set out, nor is factually inaccurate. AAPG 3 does not require the External Auditors to consider whether this Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board of Directors and management thereon. The External Auditors also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

CONCLUSION

The Board recognises the ever changing dynamic business environment and will endeavour to continue improving and enhancing the existing system of risk management and internal controls to ensure their continued relevance.

Financial Statements

Statement of Directors' Responsibility In Relation to the Audited Financial Statements

The Directors are required by the Companies Act 2016 to prepare the financial statements for each financial year which have been made out in accordance with the applicable approved accounting standard in Malaysia.

It is the responsibility of the Directors to ensure that the financial reporting of the Group and the Company present a true and fair view of the statement of affairs of the Group and the Company as at the end of the financial year and of their results and their cash flows for the year then ended.

In preparing the financial statements, the Directors have observed the following criteria:

- Overseeing the overall conduct of the company's business and that of the group;
- Identifying principal risks and ensuring that an appropriate system of internal control exists to manage these risk;
- Reviewing the adequacy and integrity of internal controls system and management system in the Company and the Group;
- Adopting suitable accounting policies and apply them consistently
- Ensuring that the financial statements were prepared on a going concern basis and in compliance with all applicable approved accounting standard in Malaysia subject to any material departures, if any, were disclosed.

The Directors are satisfied that in preparing the financial statements of the Group and the Company for the financial year ended 30 June 2023 appropriate accounting policies were used and applied consistently, and adopted to include new and review Malaysian Financial Reporting Standards were applicable. The Directors are also of the view that relevant approved accounting standards have been followed in the preparation of these financial statements.

The Directors are also responsible for taking such reasonable steps to safeguard the assets of the Group and to minimize fraud and other irregularities.

Directors' Report

The Directors of Bina Puri Holdings Bhd. hereby present their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2023.

Principal Activities

The principal activities of the Company are contractor for earthworks and building, project management services and investment holding. The principal activities of the subsidiary companies are disclosed in Note 9 to the financial statements.

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

Financial Results

The results of the Group and of the Company for the financial year are as follows:

	Group RM'000	Company RM'000
Loss for the financial year	(126,143)	(70,377)
Attributable to:		
Owners of the Parent	(122,956)	(70,377)
Non-controlling interests	(3,187)	-
	(126,143)	(70,377)

In the opinion of the Directors, the results of operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

Reserves and Provisions

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

Directors' Report (cont'd)

Dividends

No dividend has been paid or declared by the Company since the end of the previous financial year. The Directors do not recommend any dividend payment in respect of the current financial year.

Issue of Shares and Debentures

During the financial year, the Company issued:

(a) 479,293,900 new ordinary shares at issue price of RM0.035 per ordinary share for a total cash consideration of RM16,775,287 through private placement;

(b) 1,000 new ordinary shares through conversion of Warrants at an exercise price of RM0.10 for a total cash consideration of RM100; and

(c) 1,292,772,689 new ordinary shares through rights issue at an issue price of RM0.035 per share for a total cash consideration of RM45,247,044.

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

There was no issuance of debentures during the financial year.

Share Options

No options were granted to any parties by the Company during the financial year to take up unissued shares apart from the issue of options pursuant to the Share Issuance Scheme ("SIS").

Share Issuance Scheme ("SIS") was implemented on 1 March 2019 to enable the Company to grant new and additional SIS options to the eligible persons in accordance with the By-Laws of the SIS. The maximum number of shares which may be allocated under the SIS shall not exceed in aggregate fifteen percent (15%) of the total number of issued shares (excluding treasury shares, if any) of the Company at any point in time during the duration of the SIS or such other limit prescribed by any guidelines, rules and/or regulation of the relevant authorities from time to time throughout the duration of the SIS. The salient features and other terms of SIS are disclosed in Note 23(b) to the financial statements.

Directors' Report (cont'd)

Share Options (Cont'd)

As at 30 June 2023, the options offered to take up unissued ordinary shares and the exercise price is as follows:

		Number of options over ordinary shares			
Date of offer	Exercise price	At 1.7.2022	Exercised	Lapsed	At 30.6.2023
17 February 2020	0.076	26,447,263	-	(1,573,000)	24,874,263

Warrant 2019/2022

On 30 December 2019, the Company issued 382,089,550 warrants on the basis of 1 warrant for 1 existing ordinary shares of the Company.

Each warrant entitles the registered holder to subscribe for 1 new ordinary share in the Company at any time on or after 28 November 2019 up to the date of expiry on 22 December 2022, at an exercise price of RM0.10 each or such adjusted price in accordance with the provisions in the Deed Poll.

During the financial year, 1,000 warrants were exercised at the exercise price of RM0.10 per warrant. The total number of warrants that remain unexercised of 328,028,550 units expired on 22 December 2022.

The warrants were constituted under deed poll dated as disclosed in the Note 23(c) to the financial statements.

Warrant 2023/2028

On 18 April 2023, the Company issued 258,554,471 warrants on the basis of 1 warrant for 1 existing ordinary shares of the Company.

Each warrant entitles the registered holder to subscribe for 1 new ordinary share in the Company at any time on or after 18 April 2023 up to the date of expiry on 17 April 2028, at an exercise price of RM0.04 each or such adjusted price in accordance with the provisions in the Deed Poll.

As at 30 June 2023, the total number of warrants that remain unexercised were 258,554,471.

The warrants were constituted under deed poll dated as disclosed in the Note 23(c) to the financial statements.

Directors' Report (cont'd)

Directors

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

Tan Sri Datuk Tee Hock Seng, JP *	
Dr. Tan Cheng Kiat *	
Datuk Matthew Tee Kai Woon *	
Chai Chan Tong	(Appointed on 19.1.2023)
Ooi Hee Kah *	(Appointed on 19.1.2023)
Lee Hui Zien	(Appointed on 16.5.2023)
Datuk Amar Jaul Anak Samion	(Appointed on 1.7.2023)
Ir. Azman Bin Bujang	(Appointed on 1.8.2023)
Chee Su Kyun	(Appointed on 29.9.2023)
Tan Sri Dato' Wong Foon Meng	(Retired on 30.6.2023)
Ir. Ghazali Bin Bujang	(Resigned on 1.8.2023)
Mohd Najib Bin Abdul Aziz	(Resigned on 28.2.2023)

** Director of the Company and of its subsidiary companies*

The Directors who held office in the subsidiary companies (excluding Directors who are also Directors of the Company) during the financial year and during the period from the end of the financial year to the date of this report are:

Mohd Azim Bin Latip	Dato' Gan Yeew Tian	Dato' Ng Kee Leen
Siti Shalwah Binti Hussain	Ling Hie Ai	David Ng Chee Hwa
Borhan Bin Othman Ali	Foong Yuen Fatt	Gan Choo Ann
Yam Huang Meng	Heap Wei Guan	Kue Wei Jun
Lee Poh Teng	Kittipat Songcharoen	Lai Hoong Kit
Yam Lee Ken	Lee Tong Leong	Mohamad Naim Bin Rosli
Muhammad Saleh Bin Jusman	Azhar Bin Muhammad	Nasir Bin Machingal Mamath
Ng Keong Wee	Norpaizah Binti Abdul Wahab	Ooi Tat Lean
Syed Sarfaraz H Rizvi	Tay Hock Lee	Ting Teck Kai
Kang Jimmi	Emil Malik Ibrahim	Hoong Leng Wai #
Ang Kiam Chai	Cheo Chet Lan @ Chow Sak Nam, KMN # (Deceased)	Chow Chee Seng #
Datuk Roslan Bin Datuk Hj. Ahmad #		

Directors resigned during the financial year

Directors' Report (cont'd)

Directors (Cont'd)

The information required to be disclosed pursuant to Section 253 of the Companies Act 2016 is deemed incorporated herein by such reference to the financial statements of the respective subsidiary companies and made a part hereof.

Directors' Interests in Shares

The interests and deemed interests in the shares and options over ordinary shares of the Company and of its related corporations (other than wholly-owned subsidiary companies) of those who were Directors at financial year end (including their spouse or children) according to the Register of Directors' Shareholdings are as follows:

		Number of ordinary shares			
		At 1.7.2022	Additions	Disposed	At 30.6.2023
Interests in the Company					
Direct interest					
Tan Sri Datuk Tee Hock Seng, JP		129,131,504	144,087,669	-	273,219,173
Dr Tan Cheng Kiat		96,308,710	-	-	96,308,710
Datuk Matthew Tee Kai Woon		84,419,159	256,279,439	-	340,698,598
Chai Chan Tong		-	801,204,633	-	801,204,633
Ooi Hee Kah		-	114,142,858	-	114,142,858
Indirect interest					
Tan Sri Datuk Tee Hock Seng, JP	(1)	85,209,159	256,822,772	-	342,031,931
Datuk Matthew Tee Kai Woon	(2)	129,931,504	144,621,002	-	274,552,506

Directors' Report (cont'd)

Directors' Interests in Shares (Cont'd)

		Number of warrants			
		At 1.7.2022	**Granted**	**Expired**	**At 30.6.2023**
Interests in the Company					
Direct interest					
Tan Sri Datuk Tee Hock Seng, JP		18,739,778	28,817,533	(18,739,778)	28,817,533
Datuk Matthew Tee Kai Woon		4,608,925	51,255,887	(4,608,925)	51,255,887
Chai Chan Tong		-	75,582,146	-	75,582,146
Ooi Hee Kah		-	11,428,571	-	11,428,571
Indirect interest					
Tan Sri Datuk Tee Hock Seng, JP	(1)	5,008,925	51,362,553	(5,008,925)	51,362,553
Datuk Matthew Tee Kai Woon	(2)	19,139,778	28,924,199	(19,139,778)	28,924,199

Notes:

1 *Deemed interests pursuant to Section 59(11)(c) of the Companies Act 2016 by virtue of his spouse's and/or child's direct interests in the Company and Section 8 of the Companies Act 2016 by virtue of his direct interests in shares held through nominee company.*

2 *Deemed interests by virtue of shares held by Datuk Matthew Tee Kai Woon's father, Tan Sri Datuk Tee Hock Seng, JP and Section 8 of the Companies Act 2016 by virtue of his direct interests in shares held through Tee Hock Seng Holdings Sdn. Bhd..*

Directors' Report (cont'd)

Directors' Interests in Shares (Cont'd)

By virtue of his interest in the shares of the Company and pursuant to Section 8 of the Companies Act 2016, Tan Sri Datuk Tee Hock Seng, JP, is deemed to have an interest in the shares of the subsidiaries to the extent that the Company has an interest.

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

Directors' Benefits

Since the end of the previous financial year, none of the Directors of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors and disclosed in the 'Directors' Remuneration' of this report) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

Neither during nor at the end of the financial year, was the Company a party to any arrangement whose object was to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than those arising from the share options granted under the SIS and warrants.

Directors' Remuneration

The details of the Directors' remuneration paid/payable to Directors of the Group and of the Company during the financial year are as follows:

	Group RM'000	**Company RM'000**
Salary and other emoluments	1,454	1,454
Director's fees	412	352
Defined contribution plans	96	96
	1,962	1,902

Indemnity and Insurance Costs

There were no indemnity given to or insurance effected for any directors, officers and auditors of the Company in accordance with Section 289 of the Companies Act 2016.

Directors' Report (cont'd)

Other Statutory Information

(a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:

(i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and 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 be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company have been written down to an amount which the current assets might be expected so to realise.

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

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

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

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

(iv) 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.

(c) 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 liability 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.

(d) In the opinion of the Directors:

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

Directors' Report (cont'd)

Other Statutory Information (Cont'd)

(d) In the opinion of the Directors: (Cont'd)

(ii) 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 the financial statements; and

(iii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

DIFFERENT FINANCIAL YEAR END OF SUBSIDIARY

Due to local requirements of the following indirect subsidiary ("Foreign Subsidiary") of the Company, PT Megapower Makmur Tbk., the Foreign Subsidiary is adopting 31 December as their statutory financial year end, which do not coincide with that of its holding company of the Foreign Subsidiary.

Subsidiary of Bina Puri Holdings Berhad, which in turn, is a 44.8% owned subsidiary of the Company:

1. PT Megapower Makmuk Tbk

The Directors of Bina Puri Holdings Berhad and the Company have requested for approval under Section 247(3) of the Companies Act 2016 from the Companies Commission of Malaysia for the Foreign Subsidiary to have different financial year end from that of Bina Puri Holdings Berhad and the Company for the financial year ended 30 June 2023.

Subsidiary Companies

The details of the subsidiary companies are disclosed in Note 9 to the financial statements.

Directors' Report (cont'd)

Auditors' Remuneration

The details of the auditors' remuneration for the financial year are as follows:

	Group RM'000	Company RM'000
Auditor's remuneration		
- Statutory audit	469	220
- Non-statutory audit	45	45
	514	265

Auditors

The Auditors, UHY, have indicated their willingness to continue in office.

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

TAN SRI DATUK TEE HOCK SENG, JP

DATUK MATTHEW TEE KAI WOON

KUALA LUMPUR

31 October 2023

Statement by Directors

The Directors of Bina Puri Holdings Bhd., state that, in their opinion, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions 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 of 30 June 2023 and of the financial performance and the cash flows of the Group and of the Company for the financial year ended on that date.

Signed in accordance with a resolution of the Directors,

____
TAN SRI DATUK TEE HOCK SENG, JP

____
DATUK MATTHEW TEE KAI WOON

KUALA LUMPUR

31 October 2023

Declaration by the Director Primarily Responsible for the Financial Management of the Company

I, Datuk Matthew Tee Kai Woon (MIA Membership No: CA 19635), being the Director primarily responsible for the financial management of Bina Puri Holdings Bhd., do solemnly and sincerely declare that the accompanying financial statements are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

DATUK MATTHEW TEE KAI WOON

Subscribed and solemnly declared by the abovenamed Datuk Matthew Tee Kai Woon at Kuala Lumpur in the Federal Territory, this 31 October 2023.

Before me,

ZAINUL ABIDIN BIN AHMAD
NO. W790

COMMISSIONER FOR OATHS

Independent Auditors' Report to the Members of Bina Puri Holdings Bhd.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Bina Puri Holdings Bhd., which comprise the statements of financial position as at 30 June 2023 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 84 to 231.

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 opinion.

Independence and Other Ethical Responsibilities

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

Independent Auditors' Report to the Members of Bina Puri Holdings Bhd. (cont'd)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<u>Trade receivables, other receivables and amount owing by associates</u>

Refer to Note 2(d) (Significant Accounting Judgements, Estimates and Assumptions), Notes 14 and 16 (Trade and other receivables) and Note 19 (Amount due from associates).

The total balances of trade and other receivables, and amount due by associates represented 32% of the Group's total assets as at 30 June 2023.

The management is required to exercise significant judgement, involving significant estimation, uncertainty subjective assumptions in impairment assessment of the receivables by determining the probability of default by receivables and adjusted with appropriate forward-looking information.

Our audit procedures performed in relation to management's impairment assessment included the following:

- Checked the expected timing and quantum of receipts of receivables by comparing to the historical payment trend of debtors and sighting of correspondences between the Group and the debtors;

- Assessed and considered the reasonableness of the forward-looking information included in management's assessment;

- Discussed with management to understand the status of the ongoing negotiation on the recovery of receivables and corroborated the key assumptions included in the ECL model; and

- Assessed the adequacy and reasonableness of the disclosures in the financial statements.

Based on the procedures performed, we noted no significant exceptions.

Independent Auditors' Report to the Members of Bina Puri Holdings Bhd. (cont'd)

Key Audit Matters (Cont'd)

Revenue and cost recognition on construction contracts and property development activities

Refer to Note 2(d) (Significant Accounting Judgements, Estimates and Assumptions) and Note 29 (Revenue).

A significant proportion of the Group's and of the Company's revenues and profits are derived from construction contracts and property development projects which span more than one accounting period. The Group and the Company use percentage-of-completion method in accounting for construction contracts and property development activities. The stage of completion is measured by reference to the proportion of actual costs incurred for work performed to date to the estimated total costs for the project.

We focused on this area because management applies significant judgement in determining the stage of completion, extent of costs incurred and estimated total costs, as well as appropriateness of provision for liquidated ascertained damages.

Our audit procedures performed in this area included, among others:

- Selected a sample of costs incurred to date to invoice and/or progress claim such as sub-contractor claim certificates, verified by the Group's and Company's internal quantity surveyor or the employers and assessed the adequacy of accruals of costs made;

- Challenged the assumptions in deriving at the estimates of construction contract and property development costs and compared the estimated costs to supporting documentation such as approved budgets, quotations, contracts and variation orders with sub-contractors;

- In instances where projects have been delayed, we have tested management's estimates of the liquidated ascertained damages provisions required to supporting documentation such as signed sale and purchase agreements with unit buyers, correspondences with unit buyers or sub-contractors and extension of time approvals;

- Assessed management's workings on the computation of percentage-of-completion; and

- Assessed the adequacy and reasonableness of the disclosures in the financial statements.

Based on the procedures performed, we noted no significant exceptions.

Independent Auditors' Report to the Members of Bina Puri Holdings Bhd. (cont'd)

Key Audit Matters (Cont'd)

Fair value of investment properties

As at 30 June 2023, the Group's investment properties carried at fair value amounted to RM209.7 million.

The investment properties comprise various categories of properties such as shopping mall and commercial space. The valuations of the investment properties through investment methods were performed by independent external valuers.

We have identified the fair value of investment properties as a key audit matter due to complexities in determining the fair value of the investment properties, which involved significant estimates and judgements in determining the appropriate valuation methods and developing the underlying assumptions to be applied.

Our audit procedures performed in this area included, among others:

- We have assessed the capabilities, competency and objectivity of the independent external valuers through verification of their qualifications and registration;

- We assessed whether the valuation methodologies were consistent with those used in the prior year and commonly used for the types of investment properties being valued.

- We reviewed the external valuation reports of the investment properties from independent valuers and discussed the valuation methodologies and assumptions used in the valuation with the independent professional valuers;

- We assessed the reasonableness of the inputs underpinning the valuation and challenged the valuers on judgements and estimates used;

- We discussed with valuers to understand the basis of adjustments made to the significant unobservable inputs of the properties by considering factors related to the appropriateness of the rental rates, outgoings, term yield, and void rates used;

- We reviewed and assessed the appropriateness and adequacy of the disclosures in the financial statements; and

Based on the procedures performed, we noted no significant exceptions.

Independent Auditors' Report to the Members of Bina Puri Holdings Bhd. (cont'd)

Key Audit Matters (Cont'd)

Investments in subsidiaries (at Company level)

As at 30 June 2023, the Company's investments in certain subsidiaries totalling RM93.6 million have indication of impairment due to continuous losses and the net assets of the subsidiaries are lower than their carrying amount of investments. Accordingly, management performed an impairment assessment on their investments in subsidiaries. Determining the recoverable amount requires management to estimate the future cash flows to be generated and to determine a suitable discount rate in order to calculate the present value of those cash flows. The bases and assumptions used in the calculation of discounted cash flows involve a significant degree of management judgement. Due to the significant management judgement involved and the significance of the carrying amount of the investment to the financial statements of the Company, therefore identified this as a key audit matter.

Our audit procedures performed in this area included, among others:

- We obtained understanding of the business and performance of the subsidiaries.
- We reviewed impairment assessment performed by management including whether any indicator of impairment being identified.
- We also tested and challenged the key assumptions and variables used by management in the discounted cash flows computation. We assessed the basis and reasonableness of the cash flows projection, including a retrospective review of past cash flows projection. We assessed the appropriateness of discount rate used by management in the computation of the discounted cash flows, taking into consideration of internal and external data.

Based on the procedures performed, we noted no significant exceptions.

Independent Auditors' Report to the Members of Bina Puri Holdings Bhd. (cont'd)

Information Other Than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Independent Auditors' Report to the Members of Bina Puri Holdings Bhd. (cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

Independent Auditors' Report to the Members of Bina Puri Holdings Bhd. (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)

- 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, related safeguards.

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 subsidiary companies of which we have not acted as auditors, are disclosed in Note 9 to the financial statements.

Independent Auditors' Report to the Members of Bina Puri Holdings Bhd. (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.

UHY
Firm Number: AF 1411
Chartered Accountants

TAN GIM-HENG
Approved Number: 03595/09/2025 J
Chartered Accountant

KUALA LUMPUR

31 October 2023

Statement of Financial Position

as at 30 June 2023

		Group		Company	
		2023	2022	2023	2022
	Note	RM'000	RM'000	RM'000	RM'000
ASSETS					
Non-Current Assets					
Property, plant and equipment	4	36,835	56,258	345	518
Right-of-use assets	5	74,407	75,559	12,380	12,844
Investment properties	6	209,725	209,725	-	-
Intangible assets	7	174	1,350	-	-
Inventories	8	7,969	7,870	-	-
Investment in subsidiary companies	9	-	-	93,578	138,964
Investment in associates	10	1,184	1,416	30,000	30,050
Investment in joint venture	11	9,425	12,479	-	-
Other investments	13	2,781	2,781	2,832	2,832
Trade receivables	14	50	2,148	-	-
Other receivables	16	29,762	31,409	22,610	25,840
Deferred tax assets	15	1,392	380	-	-
		373,704	401,375	161,745	211,048
Current Assets					
Inventories	8	206,566	198,699	-	-
Trade receivables	14	123,700	134,320	-	1,574
Other receivables	16	150,131	179,245	37,031	35,618
Contract assets	17	118,343	169,856	-	-
Amount due from subsidiary companies	18	-	-	154,442	117,210
Amount due from associates	19	27,477	30,459	23,710	28,396
Tax recoverable		1,210	747	107	107
Fixed deposits with licensed banks	20	6,355	14,026	114	367
Cash and bank balances	21	19,014	23,300	1,466	724
		652,796	750,652	216,870	183,996
Total Assets		1,026,500	1,152,027	378,615	395,044

Statement of Financial Position as at 30 June 2023 (cont'd)

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
EQUITY					
Share capital	22	299,458	246,521	299,458	246,521
Reserves	23	(195,229)	(78,993)	(12,654)	49,346
Equity attributable to owners of the parent		104,229	167,528	286,804	295,867
Non-controlling interests		104,280	107,169	-	-
Total Equity		208,509	274,697	286,804	295,867
LIABILITIES					
Non-Current Liabilities					
Trade payables	24	1,772	1,767	-	-
Lease liabilities	25	274	446	-	-
Bank borrowings	26	190,256	234,810	48,971	55,680
Deferred tax liabilities	15	14,898	14,241	-	-
		207,200	251,264	48,971	55,680
Current Liabilities					
Contract liabilities	17	7,774	10,989	-	-
Trade payables	24	222,498	229,220	7,621	13,102
Other payables	27	162,794	161,333	14,058	13,531
Lease liabilities	25	237	270	-	-
Bank borrowings	26	184,741	189,482	14,024	11,463
Amount due to subsidiary companies	18	-	-	7,097	5,361
Amount due to associates	19	6	6	6	6
Amount due to a joint venture	28	34	34	34	34
Tax payable		32,707	34,732	-	-
		610,791	626,066	42,840	43,497
Total Liabilities		817,991	877,330	91,811	99,177
Total Equity and Liabilities		1,026,500	1,152,027	378,615	395,044

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

Statements of Profit or Loss and Other Comprehensive Income for the Financial Year Ended 30 June 2023

		Group		Company	
		2023	2022	2023	2022
	Note	RM'000	RM'000	RM'000	RM'000
Revenue	29	94,843	234,919	598	25,801
Cost of sales		(124,708)	(219,672)	(926)	-
Gross (loss)/profit		(29,865)	15,247	(328)	25,801
Other income		22,309	19,423	911	42
Administrative expenses		(68,514)	(68,779)	(54,170)	(11,213)
Net gain/(loss) on impairment of financial instruments		(14,828)	(16,228)	(9,722)	12,391
Finance costs	30	(32,691)	(26,516)	(7,068)	(6,626)
Share of results of associates and joint ventures		1,062	4,924	-	-
(Loss)/Profit before tax	31	(122,527)	(71,929)	(70,377)	20,395
Taxation	32	(3,616)	(8,556)	-	-
(Loss)/Profit for the financial year		(126,143)	(80,485)	(70,377)	20,395

Statements of Profit or Loss and Other Comprehensive Income for the Financial Year Ended 30 June 2023 (cont'd)

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Other comprehensive (loss)/income, net of tax					
Item that is or may be reclassified subsequently to profit or loss					
Exchange translation differences for foreign operations		(1,359)	734	-	-
Other comprehensive (loss)/income for the financial year, net of tax		(1,359)	734	-	-
Total comprehensive loss for the financial year		(127,502)	(79,751)	(70,377)	20,395
Loss for the financial year attributable to:					
Owners of the parent		(122,956)	(74,749)	(70,377)	20,395
Non-controlling interests		(3,187)	(5,736)	-	-
		(126,143)	(80,485)	(70,377)	20,395

Statements of Profit or Loss and Other Comprehensive Income for the Financial Year Ended 30 June 2023 (cont'd)

		Group		Company	
		2023	2022	2023	2022
	Note	RM'000	RM'000	RM'000	RM'000
Total comprehensive loss attributable to:					
Owners of the parent		(124,613)	(73,872)	(70,377)	20,395
Non-controlling interests		(2,889)	(5,879)	-	-
		(127,502)	(79,751)	(70,377)	20,395
Earnings per share					
Basic earnings per share (sen)	33(i)	(5.9)	(4.8)		
Diluted earnings per share (sen)	33(ii)	(5.9)	(4.8)		

Statement of Changes in Equity for the Financial Year Ended 30 June 2023

	Note	Share Capital RM'000	Foreign Currency Translation Reserve RM'000	Warrant Reserve RM'000	Employee Share Option Reserve RM'000	Accumulated Losses RM'000	Total RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
		Attributable to Owners of the Parent							
		Non-Distributable				Distributable			
Group									
At 1 July 2022		246,521	(10,444)	10,039	889	(79,477)	167,528	107,169	274,697
Loss for the financial year		-	-	-	-	(122,956)	(122,956)	(3,187)	(126,143)
Other comprehensive loss for the financial year		-	(1,657)	-	-	-	(1,657)	298	(1,359)
Total comprehensive loss for the financial year		-	(1,657)	-	-	(122,956)	(124,613)	(2,889)	(127,502)
Transactions with owners:									
Issuance of ordinary shares		-	-	-	-	-	-	-	-
- Private placement	22	16,775	-	-	-	-	16,775	-	16,775
- Rights issue	22	44,539	-	-	-	-	44,539	-	44,539
- Lapse of SIS options	23	-	-	-	(52)	52	-	-	-
- Issuance of warrants	23	(8,377)	-	8,377	-	-	-	-	-
- Expiration of warrants	23	-	-	(10,039)	-	10,039	-	-	-
- Conversion of warrants		*	-	-	-	-	-	-	-
Total transactions with owners		52,937	-	(1,662)	(52)	10,091	61,314	-	61,314
At 30 June 2023		299,458	(12,101)	8,377	837	(192,342)	104,229	104,280	208,509

* denote RM100

Statement of Changes in Equity for the Financial Year Ended 30 June 2023 (cont'd)

		Attributable to Owners of the Parent							
		Non-Distributable				Distributable			
	Note	Share Capital RM'000	Foreign Currency Translation Reserve RM'000	Warrant Reserve RM'000	Employee Share Option Reserve RM'000	Accumulated Losses RM'000	Total RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
Group									
At 1 July 2021		236,435	(11,370)	10,039	1,819	(4,822)	232,101	133,331	365,432
Loss for the financial year		-	-	-	-	(74,749)	(74,749)	(5,736)	(80,485)
Other comprehensive loss for the financial year		-	926	-	-	(49)	877	(143)	734
Total comprehensive loss for the financial year		-	926	-	-	(74,798)	(73,872)	(5,879)	(79,751)
Transactions with owners:									
Issuance of ordinary shares									
- Private placement	22	7,519	-	-	-	-	7,519	-	7,519
- Exercise of SIS options	22	2,566	-	-	(787)	-	1,779	-	1,779
- Lapse of SIS options	23	-	-	-	(143)	143	-	-	-
- Conversion of warrants	22	1	-	*	-	-	1	-	1
Dividends paid to noncontrolling interests		-	-	-	-	-	-	(20,283)	(20,283)
Total transactions with owners		10,086	-	-	(930)	143	9,299	(20,283)	(10,984)
At 30 June 2022		246,521	(10,444)	10,039	889	(79,477)	167,528	107,169	274,697

Statement of Changes in Equity for the Financial Year Ended 30 June 2023 (cont'd)

		Attributable to Owners of the Parent					
		Non-Distributable				Distributable	
	Note	Share Capital RM'000	Warrant Reserve RM'000	Foreign Currency Translation Reserve RM'000	Employee Share Option Reserve RM'000	Retained Earnings RM'000	Total Equity RM'000
Company							
At 1 July 2022		246,521	10,039	54	889	38,364	295,867
Loss for the financial year, representing total comprehensive loss for the financial year		-	-	-	-	(70,377)	(70,377)
Transactions with owners:							
Issuance of ordinary shares							
- Private placement	22	16,775	-	-	-	-	16,775
- Rights issue	22	44,539	-	-	-	-	44,539
- Lapse of SIS options	23	-	-	-	(52)	52	-
- Issuance of warrants	23	(8,377)	8,377	-	-	-	-
- Expiration of warrants	23	-	(10,039)	-	-	10,039	-
- Conversion of warrants	22	*	-	-	-	-	-
Total transaction with owners		52,937	(1,662)	-	(52)	10,091	61,314
At 30 June 2023		299,458	8,377	54	837	(21,922)	286,804

* denote RM100

Statement of Changes in Equity for the Financial Year Ended 30 June 2023 (cont'd)

		Attributable to Owners of the Parent					
		Non-Distributable				Distributable	
	Note	Share Capital RM'000	Warrant Reserve RM'000	Foreign Currency Translation Reserve RM'000	Employee Share Option Reserve RM'000	Retained Earnings RM'000	Total Equity RM'000
Company							
At 1 July 2021		236,435	10,039	54	1,819	17,826	266,173
Profit for the financial year representing, total comprehensive income for the financial year		-	-	-	-	20,395	20,395
Transactions with owners:							
Issuance of ordinary shares							
- Private placement	22	7,519	-	-	-	-	7,519
- Exercise of SIS options	22	2,566	-	-	(787)	-	1,779
- Lapse of SIS options	23	-	-	-	(143)	143	-
- Conversion of warrants	22	1	*	-	-	-	1
Total transaction with owners		10,086	-	-	(930)	143	9,299
At 30 June 2022		246,521	10,039	54	889	38,364	295,867

* denote RM263

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

Statement 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				
(Loss)/Profit before tax	(122,527)	(71,929)	(70,377)	20,395
Adjustments for:				
Bad debts written off	200	36	110	-
Deposit written off	-	1,341	-	-
Inventories written off	-	3	-	-
Depreciation of:				
- property, plant and equipment	7,487	7,678	224	245
- right-of-use assets	2,586	2,506	464	465
Dividend income	(4,875)	(75)	(38)	(24,315)
Impairment loss on:				
- trade receivables	2,701	2,854	-	62
- other receivables	4,211	13,373	1,166	2,221
- amount due from subsidiary companies	-	-	7,471	9,630
- amount due from associate companies	8,116	-	8,116	-
- goodwill on consolidation	1,176	7,235	-	-
- property, plant and equipment	14,800	-	-	-
- investment in subsidiaries	-	-	45,385	-
- investment in associates	-	-	50	3,405
Bad debts recovered	(2,448)	-	-	-
Reversal on impairment loss of:				
- trade receivables	(417)	-	-	-
- other receivables	(1,232)	-	-	-
- amount due from subsidiary companies	-	-	(5,105)	(24,304)
Property, plant and equipment written off	2	-	-	-
Fair value gain on investment properties	-	(4,125)	-	-
Balance brought forward	(90,272)	(41,103)	(12,534)	(12,196)

Statement of Cash Flows for the Financial Year Ended 30 June 2023 (cont'd)

		Group		Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash Flows From Operating Activities (Cont'd)					
Balance carried forward		(90,272)	(41,103)	(12,534)	(12,196)
Unwinding of discount on trade receivables		(352)	(135)	-	-
Gain on disposal of:					
- right of use assets		-	(830)	-	-
- property, plant and equipment		(485)	(315)	-	-
- assets held for sale		-	(64)	-	-
Interest expenses		32,691	26,516	7,068	6,626
Interest income		(2,114)	(3,200)	(38)	-
Share of results of associates		232	2,423	-	-
Share of results of joint venture		(1,294)	(7,347)	-	-
Unrealised loss on foreign exchange		(33)	669	-	-
Operating loss before working capital changes		(61,627)	(23,386)	(5,504)	(5,570)
Changes in working capital:					
Contract assets		51,513	57,299	-	-
Contract liabilities		(3,215)	(12,368)	-	-
Inventories		(7,954)	70,948	-	-
Trade and other receivables		40,816	55,768	2,114	25
Trade and other payables		(5,255)	(99,524)	(4,952)	(6,184)
Exchange difference		-	(1,590)	-	-
		75,905	70,533	(2,838)	(6,159)
Cash generated from/ (used in) operations		14,278	47,147	(8,342)	(11,729)
Interest paid		(32,691)	(26,516)	(7,068)	(6,626)
Interest received		2,114	3,200	38	-
Tax paid		(6,459)	(5,329)	-	-
		(37,036)	(28,645)	(7,030)	(6,626)
Net cash (used in)/from operating activities		(22,758)	18,502	(15,372)	(18,355)

Statement of Cash Flows for the Financial Year Ended 30 June 2023 (cont'd)

		Group		Company	
		2023	2022	2023	2022
	Note	RM'000	RM'000	RM'000	RM'000
Cash Flows From Investing Activities					
Purchase of property, plant and equipment		(328)	(212)	(51)	(23)
Purchase of right of use assets		-	(3,373)	-	-
Proceeds from disposal of:					
- property, plant and equipment		538	869	-	-
- right of use assets		-	462	-	-
- asset held for sale		-	175	-	-
Investment in joint venture		(490)	-	-	-
Additional investment in subsidiary companies		-	-	(1)	(250)
Advances to subsidiary companies		-	-	(37,860)	-
(Advances to)/Repayment from associates		(5,134)	1,604	(3,430)	3,360
Change in pledge deposits		7,015	(2,117)	-	-
Capital contribution to subsidiary companies		-	-	-	1,570
Dividend received		4,875	75	38	-
Net cash from/(used in) investing activities		6,476	(2,517)	(41,304)	4,657

Statement of Cash Flows for the Financial Year Ended 30 June 2023 (cont'd)

		Group		Company	
		2023	2022	2023	2022
	Note	RM'000	RM'000	RM'000	RM'000
Cash Flows From Financing Activities					
Dividends paid to non-controlling interests		(450)	(20,283)	-	-
Drawdwon of bank borrowings		-	10,500	-	10,500
Repayment of bank borrowings		(48,789)	(19,769)	(3,289)	(1,100)
Advances from associates		-	(6)	-	-
Advances from subsidiary companies		-	-	-	1,072
Proceeds from exercise of					
- SIS options		-	1,779	-	1,779
- warrants		-	1	-	1
- private placement of shares		16,775	7,519	16,775	7,519
- issuance of right issues		44,538	-	44,538	-
Repayment of lease liabilities		(228)	(630)	-	-
Net cash from/(used in) financing activities		11,846	(20,889)	58,024	19,771
Net (decrease)/increase in cash and cash equivalents		(4,436)	(4,904)	1,348	6,073
Effect of exchange translation differences on cash and cash equivalents		-	(575)	-	-
Cash and cash equivalents at the beginning of the financial year		4,101	9,580	(3,509)	(9,582)
Cash and cash equivalents at the end of the financial year		(335)	4,101	(2,161)	(3,509)

Statement of Cash Flows for the Financial Year Ended 30 June 2023 (cont'd)

		Group		Company	
		2023	2022	2023	2022
	Note	RM'000	RM'000	RM'000	RM'000
Cash and cash equivalents at the end of the financial year comprises:					
Cash and bank balances	21	19,014	23,300	1,466	724
Fixed deposits with licensed banks	20	6,355	14,026	114	367
Bank overdrafts	26	(19,349)	(19,855)	(3,734)	(4,593)
		6,020	17,471	(2,154)	(3,502)
Less: Fixed deposits pledged with licensed banks	20	(6,355)	(13,370)	(7)	(7)
		(335)	4,101	(2,161)	(3,509)
Cash outflows for leases for a leasee					
Included in net cash from operating activities:					
Interest paid in relation to lease liabilities		(12)	(31)	-	-
Included in net cash from financing activities:					
Payment of lease liabilities		(228)	(630)	-	-
Total cash outflows for leases		(240)	(661)	-	-

Notes to the Financial Statements
30 June 2023

1. Corporate Information

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

The registered office and the principal place of business of the Company is located at Wisma Bina Puri, 88 Jalan Bukit Idaman 8/1, Bukit Idaman, 68100 Selayang, Selangor Darul Ehsan.

The principal activities of the Company are as contractor for earthworks and building, project management services and investment holding. The principal activities of the subsidiary companies are disclosed in Note 9. There have been no significant changes in the nature of these activities during the financial year.

2. Basis of Preparation

(a) Statement of compliance

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

Adoption of amended standards

During the financial year, the Group and the Company have adopted the following amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for current financial year:

Amendments to MFRS 16	Covid 19-Related Rent Concessions
Amendments to MFRS 3	Reference to the Conceptual Framework
Amendments to MFRS 116	Property, Plant and Equipment- Proceeds before Intended Use
Amendments to MFRS 137	Onerous Contracts- Cost of Fulfilling a Contract
Annual Improvement to MFRSs Standards 2018 - 2020	

- Amendments to MFRS 1
- Amendments to MFRS 9
- Amendments to MFRS 16
- Amendments to MFRS 141

The adoption of the amendments to MFRSs did not have any significant impact on the financial statements of the Group and of the Company.

Notes to the Financial Statements
30 June 2023 (cont'd)

2. Basis of Preparation (Cont'd)

(a) Statement of compliance (Cont'd)

Standards issued but not yet effective

The Group and the Company have not applied the following amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group and for the Company:

		Effective dates for financial periods beginning on or after
MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 17	Insurance Contracts	1 January 2023
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 - Comparative information	1 January 2023
Amendments to MFRS 101	Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108	Disclosure of Accounting Estimates	1 January 2023
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 112	International Tax Reform - Pillar Two Model Rules	1 January 2023
Amendments to MFRS 101	Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 107	Statement of Cash Flows	1 January 2024
Amendments to MFRS 7	Financial Instruments: - Disclosures	1 January 2024
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025
Amendments to MFRS 10 And MFRS 128	Sale or Contribution of Assets between an Investor and its Associates or Join Venture	Deferred until further notice

The Group and the Company intend to adopt the above MFRSs and amendments to MFRSs when they become effective.

The initial application of the above-mentioned accounting standards or amendments are not expected to have any significant impacts on the financial statements of the Group and of the Company.

Notes to the Financial Statements
30 June 2023

2. Basis of Preparation (Cont'd)

(b) Basis of measurement

The financial statements of the Group and of the Company have been prepared under the historical cost basis, unless otherwise indicated in the significant accounting policies in Note 3.

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest thousand except when otherwise stated.

(d) Significant accounting judgements, estimates and assumption

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

Judgements

The following are the 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:

Classification between investment properties and property, plant and equipment

The Group has developed certain criteria based on MFRS 140 *Investment Property* 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.

Notes to the Financial Statements
30 June 2023 (cont'd)

2. Basis of Preparation (Cont'd)

(d) Significant accounting judgements, estimates and assumption (Cont'd)

Judgements (Cont'd)

Satisfaction of performance obligations in relation to contracts with customers

The Group is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method for recognising revenue. This assessment was made based on the terms and conditions of the contracts, and the provisions of relevant laws and regulations.

The Group recognises revenue over time in the following circumstances:

(a) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;

(b) the Group does not create an asset with an alternative use to the Group and has an enforceable right to payment for performance completed to date; and

(c) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point of time, the Group assesses each contract with customers to determine when the performance obligation of the Group under the contract is satisfied.

Determining the lease term of contracts with renewal and termination options - Group as lessee

The Group and the Company determine the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group and the Company have several lease contracts that include extension and termination options. The Group and the Company apply judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group and the Company reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Notes to the Financial Statements
30 June 2023

2. Basis of Preparation (Cont'd)

(d) Significant accounting judgements, estimates and assumption (Cont'd)

Judgements (Cont'd)

Determining the lease term of contracts with renewal and termination options - Group as lessee (Cont'd)

The Group and the Company include the renewal period as part of the lease term for leases of land and building and office equipment with non-cancellable period included as part of the lease term as these are reasonably certain to be exercised because there will be a significant negative effect on operation if a replacement asset is not readily available. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Key sources of estimation uncertainty

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

Useful lives/ depreciation of property, plant and equipment and right-of-use ("ROU") assets

The Group and the Company regularly review the estimated useful lives of property, plant and equipment and ROU assets based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of property, plant and equipment and ROU assets would increase the recorded depreciation and decrease the value of property, plant and equipment and ROU assets. The carrying amounts at the reporting date for property, plant and equipment and ROU assets are disclosed in Notes 4 and 5 respectively.

Impairment of goodwill on consolidation

The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy in Note 3(p)(i) on impairment of non-financial assets.

When value-in-use calculations are undertaken, management estimates the expected future cash flows from the cash generating unit and chooses a suitable discount rate in order to calculate the present value of those cash flows. The preparation of the estimated future cash flows involves significant judgement and estimations. While the Group believes that the assumptions are appropriate and reasonable, significant changes in the assumptions may materially affect the assessment of recoverable amounts and may lead to future impairment losses.

The carrying amounts as at end of the reporting period and key assumptions applied in the impairment assessment of goodwill are given in Note 7.

Notes to the Financial Statements
30 June 2023 (cont'd)

2. Basis of Preparation (Cont'd)

(d) Significant accounting judgements, estimates and assumption (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Impairment of investment in subsidiary companies

The Company reviews its investments in subsidiary companies 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. Estimating the recoverable amount requires the Company to make an estimate of the expected future cash flows from the cash-generating units and also to determine a suitable discount rate in order to calculate the present value of those cash flows.

The carrying amount at the reporting date for investments in subsidiary companies is disclosed in Note 9.

Impairment of investment in associates and joint ventures

The Group reviews its investments in associates and investments in joint ventures 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 Group evaluates the recoverable amounts based on market performance, economic and political situation of the country in which the joint ventures and associates operate.

The carrying amounts at the reporting date for investments in associates and joint ventures are disclosed in Notes 10 and 11 respectively.

Deferred tax assets

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 unused tax losses, unabsorbed capital allowances and other deductible temporary differences 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 carrying value of recognised and unrecognised deferred tax assets are disclosed in Note 15.

Notes to the Financial Statements
30 June 2023

2. Basis of Preparation (Cont'd)

(d) Significant accounting judgements, estimates and assumption (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Revenue and cost recognition on construction contracts and property development activities

The Group and the Company recognised revenue and cost from construction contract and property development activities in the profit or loss by using input method by reference to the stage of completion method. The stage of completion is determined by the proportion that contract cost or property development costs incurred for work performed to date bear to the estimated total contract or property development costs.

Significant judgement is involved in determining the stage of completion, extent of costs incurred and estimated total costs, as well as appropriateness of provision for liquidated ascertained damages.

Where the total actual revenue and cost incurred are different from the total estimated revenue and cost incurred, such differences will impact the contract profit or losses recognised.

Significant judgement is required in estimating the progress towards complete satisfaction of performance obligations and determining whether there is any exposure to Liquidated Ascertained Damage ("LAD") based on the facts and circumstances of the relevant construction or development projects being delayed. In making these judgements, the Group and the Company evaluate based on experience and by relying on the work of specialists.

The carrying amount of property development costs and contract assets/liabilities arising from performance under construction contracts at the reporting date are disclosed in Notes 8 and 17 respectively.

Fair value of investment properties

The Group carries their investment properties at fair value, with changes in fair value being recognised in profit or loss. The Group engaged independent valuation specialists to assess fair value as at 30 June 2023 for investment properties. For investment properties, valuation methodologies based on investment approach were used. The key assumptions used to determine the fair value of the properties are provided in Note 6.

Notes to the Financial Statements
30 June 2023 (cont'd)

2. Basis of Preparation (Cont'd)

(d) Significant accounting judgements, estimates and assumption (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Provision for expected credit loss of financial assets at amortised cost

The Group and the Company review the recoverability of its receivables, include trade and other receivables, amounts due from subsidiary companies and associates at each reporting date to assess whether an impairment loss should be recognised. The impairment provisions for receivables are based on assumptions about risk of default and expected loss rates. The Group and the Company use judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's and on the Company's past history, existing market conditions at the end of each reporting period.

The Group and the Company use a provision matrix to calculate expected credit loss for their receivables. The provision rates are based on number of days past due.

The provision matrix is initially based on the Group's and the Company's historical observed default rates. The Group and the Company will calibrate the matrix to adjust the historical credit loss experience. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed, if any.

The assessment of the correlation between historical observed default rates, forecast economic condition and expected credit loss is a significant estimate. Information about the expected credit loss is disclosed in Notes 14, 16, 18 and 19 respectively.

Discount rate used in leases

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation, particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

Notes to the Financial Statements
30 June 2023

2. **Basis of Preparation (Cont'd)**

(d) Significant accounting judgements, estimates and assumption (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Income taxes

Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group recognises liabilities for tax based on estimates of whether additional taxes will be due. Where the final tax outcome of these tax matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. As at 30 June 2023, the Group and the Company have tax recoverable of RM1,210,000 and RM107,000 (2022: RM747,000 and RM107,000) respectively and tax payable of RM32,707,000 and Nil (2021: RM34,732,000 and Nil) respectively.

3. **Significant Accounting Policies**

The Group and the Company apply the significant accounting policies set out below, consistently throughout all periods presented in the financial statements unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiary companies

Subsidiary companies are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiary companies are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary company is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Notes to the Financial Statements
30 June 2023 (cont'd)

3. **Significant Accounting Policies (Cont'd)**

(a) Basis of consolidation (Cont'd)

(i) Subsidiary companies (Cont'd)

Acquisition-related costs are expensed in profit or loss as incurred.

If the business combination is achieved in stages, the acquirer's previously held equity interest in the acquiree is re-measured at its acquisition date fair value and the resulting gain or loss is recognised in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (which cannot exceed one year from the acquisition date), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date, if known, would have affected the amounts recognised at that date.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 139 Financial Instruments, is measured at fair value with the changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated. Unrealised losses are eliminated only if there is no indication of impairment. Where necessary, accounting policies of subsidiary companies have been changed to ensure consistency with the policies adopted by the Group.

Notes to the Financial Statements
30 June 2023 (cont'd)

3. Significant Accounting Policies (Cont'd)

(a) Basis of consolidation (Cont'd)

(i) Subsidiary companies (Cont'd)

In the Company's separate financial statements, investments in subsidiary companies are stated at cost less accumulated impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts are recognised in profit or loss. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The policy of recognition and measurement of impairment losses is in accordance with Note 3(p)(i).

(ii) Changes in ownership interests in subsidiary companies without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary company is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(iii) Disposal of subsidiary company

If the Group loses control of a subsidiary company, the assets and liabilities of the subsidiary company, including any goodwill, and non-controlling interests are derecognised at their carrying value on the date that control is lost. Any remaining investment in the entity is recognised at fair value. The difference between the fair value of consideration received and the amounts derecognised and the remaining fair value of the investment is recognised as a gain or loss on disposal in profit or loss. Any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

(iv) Goodwill on consolidation

The excess of the aggregate of the consideration transferred the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total consideration transferred, non-controlling interest recognised and previously held interest measured at fair value is less than the fair value of the net assets of the subsidiary company acquired (i.e. a bargain purchase), the gain is recognised in profit or loss.

Notes to the Financial Statements
30 June 2023

3. **Significant Accounting Policies (Cont'd)**

(a) Basis of consolidation (Cont'd)

(iv) Goodwill on consolidation (Cont'd)

Following the initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment annually or more frequent when there is objective evidence that the carrying value may be impaired. See accounting policy Note 3(p)(i) on impairment of non-financial assets.

(b) Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

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 arrangement. 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.

On acquisition of an investment in an associate or joint venture, any excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill and included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities of the investee over the cost of 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 associate's or joint venture's profit or loss for the period in which the investment is acquired.

An associate or a joint venture is equity accounted for from the date on which the investee becomes an associate or a joint venture. Under the equity method, on initial recognition the investment in an associate or a joint venture is recognised at cost, and the carrying amount is increased or decreased to recognise the Group's share of profit or loss and other comprehensive income of the associate or joint venture after the date of acquisition. When the Group's share of losses in an associate or a joint venture equal or exceeds its interest in the associate or joint venture, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

Profits or losses resulting from upstream and downstream transactions between the Group and its associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of unrelated investors' interests in the associate or joint venture. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the assets transferred.

Notes to the Financial Statements
30 June 2023 (cont'd)

3. Significant Accounting Policies (Cont'd)

(b) Investment in associates and joint ventures (Cont'd)

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

The requirements of MFRS 136 *Impairment of Assets* are applied to determine whether it is necessary to recognise any additional impairment loss with respect to its net investment in the associate or joint venture. When necessary, the entire carrying amount of the investment is tested for impairment in accordance with MFRS 136 as a single asset, by comparing its recoverable amount (higher of value-in-use and fair value less costs to sell) with its carrying amount. Any impairment loss is recognised in profit or loss. Reversal of an impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

In the Company's separate financial statements, investments in associates and joint ventures are stated at cost less accumulated impairment losses. On disposal of such investments, the differences between net disposal proceeds and their carrying amounts are recognised in profit or loss. When an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. See accounting policy Note 3(p)(i) on impairment of non-financial assets.

(c) Interest in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. 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.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the MFRSs applicable to the particular assets, liabilities, revenues and expenses.

Profits and losses resulting from transactions between the Group and its joint operation are recognised in the Group's consolidated financial statements only to the extent of unrelated investors' interests in the joint operation.

Notes to the Financial Statements
30 June 2023

3. Significant Accounting Policies (Cont'd)

(d) Foreign currency

(i) Foreign currency transactions and balances

Transactions in foreign currency are recorded in the functional currency of the respective Group entities using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are included in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operation. These are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss. Exchange differences arising on monetary items that form part of the Company's net investment in foreign operation are recognised in profit or loss in the Company's financial statements or the individual financial statements of the foreign operation, as appropriate.

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

(ii) Foreign operations

The assets and liabilities of operations denominated in functional currencies other than RM, including goodwill and fair value adjustments arising on acquisition, are translated to RM at exchange rates at the end of the reporting period. The income and expenses of foreign operations, excluding foreign operations in hyperinflationary economies, are translated to RM at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve ("FCTR") in equity. However, if the operation is a non-wholly owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the FCTR related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

Notes to the Financial Statements
30 June 2023 (cont'd)

3. Significant Accounting Policies (Cont'd)

(d) Foreign currency (Cont'd)

(ii) Foreign operations (Cont'd)

When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

(e) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The policy of recognition and measurement of impairment losses is in accordance with Note 3(p)(i).

(i) Recognition and measurement

Cost includes expenditures that are directly attributable to the acquisition of the assets and any other costs directly attributable to bringing the asset to working condition for its intended use, cost of replacing component parts of the assets, and the present value of the expected cost for the decommissioning of the assets after their use. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. All other repair and maintenance costs are recognised in profit or loss as incurred.

The cost of property, plant and equipment recognised as a result of a business combination is based on fair value at acquisition date. The fair value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The fair value of other items of plant and equipment is based on the quoted market prices for similar items.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss.

Notes to the Financial Statements
30 June 2023

3. Significant Accounting Policies (Cont'd)

(e) Property, plant and equipment (Cont'd)

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

Property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:

Freehold buildings	50 years
Plant, machinery and equipment	2 - 20 years
Renovations, electrical installation, furniture and fittings	5 - 10 years
Office equipment	10 years
Truck and motor vehicles	5 - 20 years

The residual values, useful lives and depreciation method are reviewed at each reporting period end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in property, plant and equipment.

Notes to the Financial Statements
30 June 2023 (cont'd)

3. Significant Accounting Policies (Cont'd)

(f) Leases

(i) As lessee

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

The ROU asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment loss and, if applicable, adjusted for any remeasurement of lease liabilities. The policy of recognition and measurement of impairment losses is in accordance with Note 3(p)(i).

The ROU asset under cost model is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives of the ROU assets are determined on the same basis as those of property, plant and equipment as follows:

Building	Over the remaining lease period
Leasehold land and buildings	15 - 50 years
Truck and motor vehicles	5 - 20 years

The ROU assets are subject to impairment.

The lease liability is initially measured at the present value of future lease payments at the commencement date, discounted using the respective group entities' incremental borrowing rates. Lease payments included in the measurement of the lease liability include fixed payments, any variable lease payments, amount expected to be payable under a residual value guarantee, and exercise price under an extension option that the Group is reasonably certain to exercise.

Variable lease payments that do not depend on an index or a rate and are dependent on a future activity are recognised as expenses in profit or loss in the period in which the event or condition that triggers the payment occurs.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in rate, or if the Group changes its assessment of whether it will exercise an extension or termination option.

Notes to the Financial Statements
30 June 2023 (cont'd)

3. Significant Accounting Policies (Cont'd)

(f) Leases (Cont'd)

(i) As lessee (Cont'd)

Lease payments associated with short term leases and leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Short term leases are leases with a lease term of 12 months or less and do not contain a purchase option. Low value assets are those assets valued at less than RM20,000 each when purchased new.

The Group applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value.

(ii) As lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases.

If the lease arrangement contains lease and non-lease components, the Group applies MFRS 15 *Revenue from Contracts with Customers* to allocate the consideration in the contract based on the stand-alone selling price.

The Group recognises assets held under a finance lease in its statements of financial position and presents them as a receivable at an amount equal to the net investment in the lease. The Group uses the interest rate implicit in the lease to measure the net investment in the lease.

The Group recognises lease payments under operating leases as income on a straight-line basis over the lease term unless another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished. The lease payment recognised is included as part of "Other income". Initial direct costs incurred in negotiating and arranging 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. Contingent rents are recognised as revenue in the period in which they are earned.

Notes to the Financial Statements
30 June 2023 (cont'd)

3. Significant Accounting Policies (Cont'd)

(g) Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both. Investment properties are measured at cost, including transaction costs, less any accumulated depreciation and impairment losses.

Investment properties are measured initially at cost, including transaction costs. Subsequently, investment properties are measured at fair value which reflects market conditions at the reporting date. Gains and losses arising from changes in the fair values of investment properties are recognised in profit or loss for the period in which they arise. Where the fair value of the investment property under construction is not reliably determinable, the investment property under construction is measured at cost until either its fair value becomes reliably determinable or construction is complete, whichever is earlier.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are valued by independent professionally qualified valuers, having appropriate recognised professional qualifications and recent experience in the locations and segments of the investment properties valued. The management team reviewed and discussed the valuations, including valuation processes, performed by the independent valuers for financial reporting purposes.

Investment properties are derecognised when either they are disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from the disposal. Any gain or loss on the retirement or disposal of an investment property is recognised in the profit or loss in the reporting period of retirement or disposal.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

Notes to the Financial Statements
30 June 2023 (cont'd)

3. Significant Accounting Policies (Cont'd)

(h) Intangible assets

(i) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation methods are reviewed at the end of each reporting date, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

(ii) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair values at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

(iii) Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

See accounting policy Note 3(p)(i) on impairment of non-financial assets for intangible assets.

(i) Financial assets

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

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

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include trade and other receivables, amounts due from subsidiary companies and associate companies, fixed deposit with licensed banks and cash and bank balances.

Notes to the Financial Statements
30 June 2023 (cont'd)

3. Significant Accounting Policies (Cont'd)

(i) Financial assets (Cont'd)

(i) Finance assets at amortised cost

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 ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

(ii) Finance assets through comprehensive income ("FVOCI")

Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group and the Company may irrevocably elect to present subsequent changes in fair value in OCI on an investment-by-investment basis.

Financial assets categorised as FVOCI are subsequently measured at fair value, with unrealised gains and losses recognised directly in OCI and accumulated under fair value reserve in equity. For debt instruments, when the investment is derecognised or determined to be impaired, the cumulative gain or loss previously recorded in equity is reclassified to the profit or loss. For equity instruments, the gains or losses are never reclassified to profit or loss.

(iii) Finance assets through profit or loss ("FVTPL")

The Group and the Company have not designated any financial assets at FVTPL.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group and the Company commit to purchase or sell the asset.

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

Notes to the Financial Statements
30 June 2023 (cont'd)

3. Significant Accounting Policies (Cont'd)

(j) Financial liabilities

Financial liabilities are recognised when, and only when, the Group and the Company become a party to the contractual provisions of the financial instruments. All financial liabilities are recognised initially at fair value plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is 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 a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(k) Financial guarantee contracts

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

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequently, the liability is measured at the higher of:

- the amount of the loss allowance; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15 *Revenue from Contracts with Customers*.

(l) Offsetting of financial instruments

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

Notes to the Financial Statements
30 June 2023 (cont'd)

3. Significant Accounting Policies (Cont'd)

(m) Inventories

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

(i) Land held for property development

Land held for property development consists of purchase price of land, professional fees, stamp duties, commissions, conversion fees, other relevant levies and direct development cost incurred in preparing the land for development.

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

Land held for property development for which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle, is classified as non-current asset.

Land held for property development is transferred to property development costs under current assets when development activities have commenced and where development activities can be completed within the Group's and the Company's normal operating cycle.

(ii) Property under development and completed property

Property under development consists of the cost of land and all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities, including common costs such as the cost of constructing mandatory infrastructure, amenities and affordable houses (net of estimated approved selling prices) and other related costs. The asset is subsequently recognised as an expenses in profit or loss when and as the control of the asset is transferred to the customer.

Properties development costs attributable to unsold properties, upon completion, are transferred to completed properties held for sale.

The cost of completed properties includes costs of land and related development cost or its purchase costs and incidental cost of acquisition. Cost is determined on a specific identification basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable selling expenses.

Notes to the Financial Statements
30 June 2023 (cont'd)

3. Significant Accounting Policies (Cont'd)

(m) Inventories (Cont'd)

(iii) Completed properties held for sale

The cost of completed properties is stated at the lower of historical cost and net realisable value. Historical cost includes, where relevant, cost associated with the acquisition of land, including all related costs incurred subsequent to the acquisition necessary to prepare the land for its intended case, related development costs to projects, direct building costs and other costs of bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses.

(n) Contract assets/Contract liabilities

Contract asset is the right to consideration for goods or services transferred to the customers. The Group's contract asset is the excess of revenue recognised over the billings to-date and deposits or advances received from customers. The policy of recognition and measurement of impairment losses is in accordance with Note 3(p)(ii).

Contract asset is reclassified to trade receivables at the point at which invoices have been billed to customers.

Contract liability is the obligation to transfer goods or services to customers for which the Group has received the consideration or has billed the customers. The Group's contract liability is the excess of the billings to-date over the revenue recognised. Contract liabilities are recognised as revenue when the Group performs its obligation under the contracts.

(o) Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, bank balances, demand deposits, bank overdrafts and highly liquid investments that are readily converted to known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

Notes to the Financial Statements
30 June 2023 (cont'd)

3. Significant Accounting Policies (Cont'd)

(p) Impairment of assets

(i) Non-financial assets

The carrying amounts of non-financial assets (except for inventories, contract assets and investment property measured at fair value) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives, or that are not yet available for use, the recoverable amount is estimated each period at the same time.

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

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

An impairment loss is recognised if the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. Impairment loss is recognised in profit or loss, unless the asset is carried at a revalued amount, in which such impairment loss is recognised directly against any revaluation surplus for the asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (group of cash-generating units) on a pro rata basis.

Notes to the Financial Statements 30 June 2023 (cont'd)

3. Significant Accounting Policies (Cont'd)

(p) Impairment of assets (Cont'd)

(i) Non-financial assets (Cont'd)

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for asset in prior years. Such reversal is recognised in the profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

(ii) Financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group 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").

For trade receivables, other 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 established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Notes to the Financial Statements
30 June 2023 (cont'd)

3. Significant Accounting Policies (Cont'd)

(p) Impairment of assets (Cont'd)

(ii) Financial assets (Cont'd)

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

(q) Share capital

(i) Ordinary shares

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are equity instruments. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity.

Dividend distribution to the Company's shareholders is recognised as a liability in the period they are approved by the Board of Directors except for the final dividend which is subject to approval by the Company's shareholders.

(ii) Warrants

Warrants are classified as equity instruments. The issuance of ordinary shares upon exercise of warrants is treated as new subscription of ordinary shares for the consideration equivalent to the exercise price of the warrants.

Upon exercise of the warrants, the proceeds are credited to share capital and the related warrant reserves are reversed. The warrant reserves in relation to unexercised warrants at the expiry of the warrants will be reversed into retained earnings.

(r) Compound financial instruments

A compound financial instrument is a non-derivative financial instrument that contains both a liability and an equity component. Compound financial instruments issued by the Group comprise convertible notes that can be converted to share capital at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value.

Notes to the Financial Statements
30 June 2023 (cont'd)

3. Significant Accounting Policies (Cont'd)

(r) Compound financial instruments (Cont'd)

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

(s) Provisions

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

Provisions are reviewed at the end of each reporting period 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. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Any reimbursement that the Group and the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision. The expense relating to any provision is presented in the statements of profit or loss and other comprehensive income net of any reimbursement.

Notes to the Financial Statements
30 June 2023 (cont'd)

3. Significant Accounting Policies (Cont'd)

(t) Employee benefits

(i) Short term employee benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the reporting period in which the associated services are rendered by employees of the Group and of the Company. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensation absences. Short term non-accumulating compensated absences such as sick and medical leave are recognised when the absences occur.

The expected cost of accumulating compensated absences is measured as additional amount expected to be paid as a result of the unused entitlement that has accumulated at the end of the reporting period.

(ii) Defined contribution plans

As required by law, companies in Malaysia contribute to the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in the profit or loss as incurred. Once the contributions have been paid, the Group have no further payment obligations.

(iii) Equity-settled share-based payment transaction

The Group operates an equity-settled, share-based compensation plan for the employees of the Group. Employee services 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.

For options granted to the employees of the subsidiary companies, the fair value of the options granted is recognised as cost of investment in the subsidiary companies over the vesting period with a corresponding adjustment to equity in the Company's financial statements.

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 (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to be vested. At the end of each reporting date, the Group revises its estimates of the number of share options that are expected to be vested. It recognises the impact of the revision of original estimates, if any, in the profit or loss, with a corresponding adjustment to equity.

Notes to the Financial Statements
30 June 2023 (cont'd)

3. Significant Accounting Policies (Cont'd)

(t) Employee benefits (Cont'd)

(iii) Equity-settled share-based payment transaction (Cont'd)

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital when the options are exercised. When options are not exercised and lapsed, the share option reserve is transferred to retained earnings.

(u) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(v) Revenue recognition

(i) Revenue from contracts with customers

Revenue is recognised when the Group satisfied a performance obligation ("PO") by transferring a promised good or services to the customer, which is when the customer obtains control of the good or service. A PO may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied PO.

Notes to the Financial Statements
30 June 2023 (cont'd)

3. **Significant Accounting Policies (Cont'd)**

(v) Revenue recognition (Cont'd)

(i) Revenue from contracts with customers (Cont'd)

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of goods and service tax, returns, rebates and discounts. Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or services promised in the contract. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

The Group recognises revenue from the following major sources:

(a) Revenue from property development

Property development contracts with customers may include multiple promises to customers and are accounted for as separate performance obligations. 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.

Revenue from property development is recognised as and when the control of the asset is 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 and the Company's performance does not create an asset with an alternative use to the Group and to the Company and the Group and the Company have an enforceable right to payment for performance completed to-date.

If control of the asset transfers over time, revenue is recognised over the period of the contract by using an input method which is based on cost incurred to-date relative to the total expected cost to the satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

The Group and the Company recognise sales at a point in time for the sale of completed properties, when the control of the properties has been transferred to the purchasers, being when the properties have been completed and delivered to the customers.

Notes to the Financial Statements
30 June 2023 (cont'd)

3. Significant Accounting Policies (Cont'd)

(v) Revenue recognition (Cont'd)

(i) Revenue from contracts with customers (Cont'd)

(b) Revenue from construction contracts

A contract with a customer is classified by the Group and by the Company as a construction contract when the contract relates to work on assets under the control of the customer and therefore the Group's and the Company's construction activities create or enhance an asset under the customer's control.

When the outcome of a construction contract can be reasonably measured, revenue from the contract is recognised progressively over time using the cost-to-cost method, i.e. based on the proportion of the actual costs incurred relative to the estimated total costs.

The likelihood of the Group and of the Company suffering contractual penalties for late completion are taken into account in making these estimates, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

When the outcome of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

If at any time the costs to complete the contract are estimated to exceed the remaining amount of the consideration under the contract, then a provision is recognised in accordance with the policy set out in Note 3(s).

(c) Sales of goods

Revenue from sale of goods is recognised when control of the products has transferred, being at the point the customer purchases the goods.

Revenue is recognised based on the price specified in the contract, net of the rebates, discounts and taxes. Payment of the transaction price is due immediately at the point the customer purchases the goods.

Notes to the Financial Statements
30 June 2023 (cont'd)

3. Significant Accounting Policies (Cont'd)

(v) Revenue recognition (Cont'd)

(i) Revenue from contracts with customers (Cont'd)

(d) Rendering of services

Revenue from services and management fees are recognised in the reporting period in which the services are rendered, which simultaneously received and consumes the benefits provided by the Group, and the Group has a present right to payment for the services.

(ii) 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.

(iii) Interest income

Interest income is recognised as it accrues using the effective interest method in profit or loss except for interest income arising from temporary investment of borrowings taken specifically for the purpose of obtaining a qualifying asset which is accounted for in accordance with the accounting policy on borrowing costs.

(iv) Sale of electricity

Revenue is recognised when electricity is consumed by customer based on meter reading of the customer.

(v) Management fee

Management fee is recognised when services are rendered.

(w) Income tax

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

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

Notes to the Financial Statements
30 June 2023 (cont'd)

3. Significant Accounting Policies (Cont'd)

(w) Income tax (Cont'd)

Deferred tax is recognised using the liability method for all temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the temporary differences arising from the initial recognition of goodwill, the initial recognition of assets and liabilities in a transaction which is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax is based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, at the end of the reporting period, except for investment properties carried at fair value model. Where investment properties measured using fair value model, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying amounts at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. Deferred tax assets and liabilities are not discounted.

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

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Notes to the Financial Statements
30 June 2023 (cont'd)

3. Significant Accounting Policies (Cont'd)

(x) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-makers are responsible for allocating resources and assessing performance of the operating segments and make overall strategic decisions. The Group's operating segments are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

(y) Contingencies

Where it is not probable that an inflow or an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the asset or the obligation is disclosed as a contingent asset or contingent liability, unless the probability of inflow or outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets or contingent liabilities unless the probability of inflow or outflow of economic benefits is remote.

(z) Fair value measurement

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as 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 measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

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

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

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

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

Notes to the Financial Statements
30 June 2023 (cont'd)

4. **Property, Plant and Equipment**

	Freehold land and buildings RM'000	Plant, machinery and equipment RM'000	Renovation, electrical installation, furniture and fittings RM'000	Office equipment RM'000	Trucks and motor vehicles RM'000	Total RM'000
Group						
2023						
Cost						
At 1 July	10,274	70,798	36,181	13,430	22,863	153,546
Additions	-	-	39	289	-	328
Disposals	-	(508)	(16)	(96)	(1,488)	(2,108)
Written off	-	-	-	(4)	(10)	(14)
Exchange differences	-	3,578	2,477	407	96	6,558
At 30 June	10,274	73,868	38,681	14,026	21,461	158,310
Accumulated depreciation and Impairment losses						
At 1 July	3,928	38,701	20,973	11,698	21,988	97,288
Depreciation charge for the financial year	187	3,902	2,054	1,148	208	7,499
Impairment loss for the financial year	-	14,800	-	-	-	14,800
Disposals	-	(473)	(16)	(96)	(1,470)	(2,055)
Written off	-	-	-	(2)	(10)	(12)
Exchange differences	-	1,968	2,830	(938)	95	3,955
At 30 June	4,115	58,898	25,841	11,810	20,811	121,475
Carrying amount						
At 30 June	6,159	14,970	12,840	2,216	650	36,835

Notes to the Financial Statements
30 June 2023 (cont'd)

4. Property, Plant and Equipment (Cont'd)

	Freehold land and buildings RM'000	Plant, machinery and equipment RM'000	Renovation, electrical installation, furniture and fittings RM'000	Office equipment RM'000	Trucks and motor vehicles RM'000	Total RM'000
Group						
2022						
Cost						
At 1 July	10,274	70,677	35,430	12,180	26,437	154,998
Additions	-	21	84	104	3	212
Disposals	-	(256)	(43)	(291)	(4,054)	(4,644)
Reclassfication	-	(1,751)	-	1,321	430	-
Exchange differences	-	2,107	710	116	47	2,980
At 30 June	10,274	70,798	36,181	13,430	22,863	153,546
Accumulated depreciation						
At 1 July	3,738	34,367	17,758	10,725	26,096	92,684
Charge for the financial year	190	3,942	2,505	849	264	7,750
Disposals	-	(244)	(32)	(275)	(4,054)	(4,605)
Reclassfication	-	(301)	375	285	(359)	-
Exchange differences	-	937	367	114	41	1,459
At 30 June	3,928	38,701	20,973	11,698	21,988	97,288
Carrying amount						
At 30 June	6,346	32,097	15,208	1,732	875	56,258

Notes to the Financial Statements
30 June 2023 (cont'd)

4. Property, Plant and Equipment (Cont'd)

	Renovation, electrical installation, furniture and fittings RM'000	Office equipment RM'000	Trucks and motor vehicles RM'000	Total RM'000
Company				
2023				
Cost				
At 1 July	2,360	3,393	915	6,668
Additions	14	37	-	51
At 30 June	2,374	3,430	915	6,719
Accumulated depreciation				
At 1 July	2,304	3,158	688	6,150
Charge for the financial year	19	133	72	224
At 30 June	2,323	3,291	760	6,374
Carrying amount				
At 30 June	51	139	155	345
2022				
Cost				
At 1 July	2,346	3,384	915	6,645
Additions	14	9	-	23
At 30 June	2,360	3,393	915	6,668
Accumulated depreciation				
At 1 July	2,278	3,023	604	5,905
Charge for the financial year	26	135	84	245
At 30 June	2,304	3,158	688	6,150
Carrying amount				
At 30 June	56	235	227	518

Notes to the Financial Statements
30 June 2023 (cont'd)

4. Property, Plant and Equipment (Cont'd)

(a) Assets held in trust

Included in property, plant and equipment of the Group is a freehold land with a net book value of RM934,690 (2022: RM935,000) which is held in trust by former director of the Company.

(b) Assets pledged as securities to licensed banks

The carrying amount of freehold land and buildings amounted to approximately RM2,650,131 (2022: RM2,714,132) is pledged as securities for bank borrowings as disclosed in Note 26.

(c) Included in depreciation charged of the Group for the financial year is RM12,636 (2022: RM71,529) being capitalised into construction and property development cost.

(d) Impairment loss

During the financial year, an impairment loss of RM14,799,959 was recognised in profit or loss under administrative expenses, representing the impairment of certain plant, machinery and equipment in the power supply division, in view of the significant change in business climate. The recoverable amount of RM39,669,030 as at 30 June 2023 was based on value-in-use and was determined at the level of cash generating unit. In determining the value-in-use for the cash generating unit, the cash flows were discounted at a rate of 8.09% on a pre-tax basis.

Notes to the Financial Statements
30 June 2023 (cont'd)

5. Right-of-Use Assets

	Long leasehold land and buildings RM'000	Short leasehold land and buildings RM'000	Trucks and motor vehicles RM'000	Buildings RM'000	Total RM'000
Group					
2023					
Cost					
At 1 July	92,503	1,738	1,730	558	96,529
Disposals	-	-	(61)	-	(61)
Exchange differences	1,902	-	13	32	1,947
At 30 June	94,405	1,738	1,682	590	98,415
Accumulated depreciation					
At 1 July	18,005	1,284	1,525	156	20,970
Charge for the financial year	2,325	54	73	134	2,586
Disposals	-	-	(61)	-	(61)
Exchange differences	585	-	(88)	16	513
At 30 June	20,915	1,338	1,449	306	24,008
Carrying amount					
At 30 June	73,490	400	233	284	74,407

Notes to the Financial Statements
30 June 2023 (cont'd)

5. Right-of-Use Assets (Cont'd)

	Long leasehold land and buildings RM'000	Short leasehold land and buildings RM'000	Trucks and motor vehicles RM'000	Buildings RM'000	Total RM'000
Group					
2022					
Cost					
At 1 July	88,012	1,738	2,615	307	92,672
Additions	3,373	-	-	240	3,613
Disposals	-	-	(885)	-	(885)
Exchange differences	1,118	-	-	11	1,129
At 30 June	92,503	1,738	1,730	558	96,529
Accumulated depreciation					
At 1 July	15,473	1,230	2,098	61	18,862
Charge for the financial year	2,275	54	165	92	2,586
Disposals	-	-	(738)	-	(738)
Exchange differences	257	-	-	3	260
At 30 June	18,005	1,284	1,525	156	20,970
Carrying amount					
At 30 June	74,498	454	205	402	75,559

	Company 2023 RM'000	Company 2022 RM'000
Long leasehold land and buildings		
Cost		
At 1 July/30 June	19,795	19,795
Accumulated depreciation		
At 1 July	6,951	6,486
Charge for the financial year	464	465
At 30 June	7,415	6,951
Carrying amount		
At 30 June	12,380	12,844

Notes to the Financial Statements
30 June 2023 (cont'd)

5. Right-of-Use Assets (Cont'd)

(a) Purchase of right-of-use assets

The aggregate cost of the purchase of right-of-use assets of the Group and of the Company during the financial year under the lease and cash payment are as follows:

	Group	
	2023 RM'000	**2022 RM'000**
Aggregate costs	-	3,613
Less: Finance lease financing	-	-
Less: Lease liabilities	-	(240)
	-	3,373

(b) Assets held under finance leases

Included in the above, trucks and motor vehicle with carrying amount of RM 232,670 (2022: RM204,923) of the Group are pledged as securities for the related lease liabilities as disclosed in Note 25.

(c) Lease period for leasehold land

Leasehold land consists of:

(i) Two pieces of land with unexpired lease period of 99 years, expiring on 4 June 2094 with remaining useful lives of 71 years (2022: 72 years).

(ii) Two pieces of land with unexpired lease period of 99 years, expiring on 17 October 2089 with remaining useful lives of 66 years (2022: 67 years).

(iii) One piece of land with unexpired lease period of 50 years, expiring on 8 July 2024 with remaining useful lives of 1 year (2022: 2 years).

(iv) One piece of land with unexpired lease period of 50 years, expiring on 6 June 2055 with remaining useful lives of 32 years (2022: 33 years).

(v) One piece of land with unexpired lease period of 50 years, expiring on 16 September 2027 with remaining useful lives of 4 years (2022: 5 years).

(vi) One piece of land with unexpired lease period of 66 years, expiring on 7 July 2081 with remaining useful lives of 58 years (2022: 59 years).

Notes to the Financial Statements
30 June 2023 (cont'd)

5. Right-of-Use Assets (Cont'd)

(c) Lease period for leasehold building

Leasehold building consists of:

(vii) Three units of properties with unexpired lease period of 99 years, expiring on 31 December 2089 with remaining useful lives of 65 years (2022: 66 years).

(viii) One units of properties with unexpired lease period of 91 years, expiring on 31 December 2108 with remaining useful lives of 85 years (2022: 86 years).

(ix) Seventeen units of properties with unexpired lease period of 99 years, expiring on 11 December 2112 with remaining useful lives of 89 years (2022: 90 years).

(d) Included in depreciation charged of the Group for the financial year is RM Nil (2022: RM79,946) being capitalised into property development cost.

(e) The carrying amount of leasehold land and buildings amounted to approximately RM10,844,601 (2022: RM11,086,406) is pledged as securities for bank borrowings as disclosed in Note 26.

6. Investment Properties

	Group	
	2023	**2022**
	RM'000	**RM'000**
At 1 July/30 June	209,725	209,725
Included in the above are:		
At fair value		
Shopping mall	209,725	209,725

(a) Fair value basis of investment properties

The investment properties are valued annually at fair value based on market values determined by independent qualified valuers, Messrs KGV International Property Consultant, a real estate firm registered with the Board of Valuers, Malaysia, amounting to RM209,725,000 (2022: RM209,725,000). The independent professional qualified valuers hold recognised relevant professional qualifications and have recent experience in the locations and segment of the investment properties valued. The fair value measurements of the investment properties are based on the highest and best use. The fair values are within level 3 of the fair value hierarchy.

There was no transfer between levels during current and previous financial year.

Notes to the Financial Statements
30 June 2023 (cont'd)

6. Investment Properties (Cont'd)

(a) Fair value basis of investment properties (Cont'd)

Level 3 fair value

Description of valuation techniques used and key inputs to valuation on investment properties measured at Level 3 are as shown below:

Investment properties	Valuation techniques	Range	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value
Main Place Mall	Investment		Shopping complex	
Jalan USJ 21/10,	Method	1.90-32.00	Actual rental rate (RM/psf/month)	expected market rental growth were higher/(lower)
47640 UEP Subang Jaya, Selangor.		2.38-40.00	Reversionary rental rate (RM/psf/month)	expected reversionary rental growth were higher/(lower)
		3.87	Outgoings (RM/psf/month)	expected outgoings rate were lower/(higher)
		3.6	Reversionary outgoings (RM/psf/month)	expected reversionary outgoings rate were lower/(higher)
		5.4	Term yield (%)	term yield rate were lower/(higher)
		5.9	Reversionary yield (%)	reversionary yield were lower/ (higher)
		10	Void rate (%)	void rate were lower/(higher)

Notes to the Financial Statements
30 June 2023 (cont'd)

6. Investment Properties (Cont'd)

(a) Fair value basis of investment properties (Cont'd)

Level 3 fair value (Cont'd)

Description of valuation techniques used and key inputs to valuation on investment properties measured at Level 3 are as shown below: (Cont'd)

Investment properties	Valuation techniques	Range	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value
Commercial lots	Investment		Commercial lots	
The Main Place Residences	Method	1.90-4.50	Actual rental rate	expected market rental growth were
Jalan USJ 21/10,			(RM/psf/month)	higher/(lower)
47640 UEP Subang Jaya,		0.33	Outgoings (RM/psf/month)	expected outgoings rate were lower/(higher)
Selangor.		6	Term yield (%)	term yield rate were lower/(higher)
		10	Void rate (%)	void rate were lower/(higher)
Car park	Investment			
The Main Place Residences	Method	139	Actual rental rate	expected market rental growth were
Jalan USJ 21/10,			(RM/psf/month)	higher/(lower)
47640 UEP Subang Jaya,		0.33	Outgoings (RM/psf/month)	expected outgoings rate were lower/(higher)
Selangor.		0.363	Reversionary	expected reversionary outgoings rate were
			outgoings (RM/psf/month)	lower/(higher)
		6	Term yield (%)	term yield rate were lower/(higher)
		10	Void rate (%)	void rate were lower/(higher)

Notes to the Financial Statements
30 June 2023 (cont'd)

6. Investment Properties (Cont'd)

(a) Fair value basis of investment properties (Cont'd)

The following table provides the fair value measurement hierarchy of the Group's investment properties:

	Group	
	2023 RM'000	2022 RM'000
Level 3		
Shopping mall	209,725	209,725

(b) Income and expenses recognised in profit or loss

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

	Group	
	2023 RM'000	2022 RM'000
Lease income	13,027	12,082
Direct operating expenses:		
- Income generating investment properties	(10,645)	(9,873)

(c) Investment properties pledged as securities to licensed banks

Investment properties of the Group amounting to RM209,725,000 (2022: RM209,725,000) have been pledged to secure banking facilities granted to the Group as disclosed in Note 26.

7. Intangible Assets

	Group	
	2023 RM'000	2022 RM'000
Goodwill on consolidation		
Cost		
At 1 July/30 June	15,858	15,858
Accumulated impairment losses		
At 1 July	14,508	7,273
Recognised for the financial year	1,176	7,235
At 30 June	15,684	14,508
Carrying amount		
At 30 June	174	1,350

Notes to the Financial Statements
30 June 2023 (cont'd)

7. Intangible Assets (Cont'd)

(a) Impairment testing for cash-generating units ("CGU") containing goodwill

For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions which represent the lowest CGU level within the Group at which the goodwill is monitored for internal management purposes.

The aggregate carrying amounts of goodwill allocated to each cash-generating unit ("CGU") are as follows:

	Group	
	2023 RM'000	**2022 RM'000**
Property division	174	1,000
Power supply division	-	350
	174	1,350

(b) Key assumptions used to determine the recoverable amount

The recoverable amounts of CGUs in respect of the goodwill were determined based on value-in-use ("VIU") calculations. Cash flow projections used in these calculations were based on financial budgets approved by management covering a three to five-year period. The key assumptions used for value in use calculations are based on future projection of the Group are as follows:

	Property division	
	2023	**2022**
Growth rate	0%	0%
Pre-tax discount rate (per annum)	6%	14%

	Power supply division	
	2023	**2022**
Growth rate	5%	0%
Pre-tax discount rate (per annum)	8%	14%

Notes to the Financial Statements
30 June 2023 (cont'd)

7. Intangible Assets (Cont'd)

(b) Key assumptions used to determine the recoverable amount

The key assumptions that the Directors have used in the cash flow projections to undertake impairment testing are as follows:

(i) Growth rate - Not applicable for property division segment as the cash flow projections made is for a period of 5 years, in accordance with the expected life cycle of the CGU. Growth rate for power supply division does not exceed the growth rate of the industry and country it operates in at 5%.

(ii) Pre-tax discount rate - Rate that reflects specific risks relating to the relevant CGU.

The values assigned to the key assumptions represent management's assessment of future trends in the industry and are based on both external sources and internal sources.

(c) Sensitivity to changes in assumptions

The management believes that a reasonably possible change in the key assumptions on which management has based on its determination of the CGU's recoverable amount would not cause the CGU's carrying amount to exceed its recoverable amount.

(d) Impairment loss recognised during the financial year

The Group recognised an impairment loss of RM1,176,000 (2022: RM7,235,000). The impairment loss is recorded within administrative expenses in the statements of profit or loss and other comprehensive income.

Notes to the Financial Statements
30 June 2023 (cont'd)

8. Inventories

	Group 2023 RM'000	Group 2022 RM'000
Non-current		
Land held for property development (Note a)	7,969	7,870
Current		
Property development cost (Note b)	195,425	186,840
Other inventories (Note c)	11,141	11,859
	206,566	198,699
	214,535	206,569

(a) Land held for property development

	Group 2023 RM'000	Group 2022 RM'000
At 1 July		
- Land cost incurred to date	5,240	5,240
- Development costs incurred to date	2,630	2,247
	7,870	7,487
Add: Costs incurred during the financial year		
- Development costs	99	383
At 30 June		
- Land cost incurred to date	5,240	5,240
- Development costs incurred to date	2,729	2,630
	7,969	7,870

Notes to the Financial Statements
30 June 2023 (cont'd)

8. Inventories (Cont'd)

(b) Property development costs

	Group 2023 RM'000	Group 2022 RM'000
Cumulative property development costs		
At 1 July		
- Land costs	84,825	84,725
- Development expenditure	102,015	147,159
	186,840	231,884
Add: Costs incurred during the financial year		
- Land costs	-	100
- Development expenditure	26,611	25,426
	26,611	25,526
Less: Costs recognised in profit or loss		
- Development expenditure	(18,026)	(70,570)
	(18,026)	(70,570)
Carrying amount		
At 30 June		
- Land costs	84,825	84,825
- Development expenditure	110,600	102,015
	195,425	186,840

(i) The property development cost of the Group amounting to RM173,758,900 (2022: RM123,768,568) were charged to a licensed bank to secure a banking facility granted to the Group as stated in Note 26.

(ii) Included in the Group's development cost is an amount of RM15,017,000 (2022: RM23,556,000) which relates to the construction costs incurred on a project. The Group is currently engaged in an arbitration process to recover the said amounts from the Government of Pakistan. The recoverability of the said amounts is dependent on the outcome of the mediation process which, based on the advice of the Group's solicitors, the directors are of the opinion that the outcome of the mediation amount is sufficient to recover the contract assets. The status of the arbitration is disclosed in Note 41.

Notes to the Financial Statements
30 June 2023 (cont'd)

8. Inventories (Cont'd)

(b) Property development costs (Cont'd)

(iii) The depreciation of property, plant and equipment and right-of-use assets capitalised in property development cost during the financial year are as follow:

	Group	
	2023	**2022**
	RM'000	**RM'000**
Depreciation of:		
- Property, plant and equipment	12	6
- Right-of-use assets	-	80
	12	86

(c) Other inventories

	Group	
	2023	**2022**
	RM'000	**RM'000**
Finished goods	4,208	4,001
Completed development unit	6,740	7,680
Spare parts	193	178
	11,141	11,859

Notes to the Financial Statements
30 June 2023 (cont'd)

9. Investment in Subsidiary Companies

	Company 2023 RM'000	Company 2022 RM'000
In Malaysia		
At cost		
Unquoted shares	101,078	101,080
Capital contribution to subsidiary companies, at cost	43,380	43,380
	144,458	144,460
Less: Accumulated impairment losses	(50,880)	(5,504)
	93,578	138,956
Outside Malaysia		
At cost		
Unquoted shares	1,845	1,845
Less: Accumulated impairment losses	(1,845)	(1,837)
	-	8
	93,578	138,964

Capital contribution represents unsecured, interest free non-trade advances given to subsidiary companies. The settlement of these advances is neither planned nor likely to occur in the foreseeable future and it is the Company's intention to treat them as a long-term source of capital to the subsidiary companies. As these advances are, in substance, a part of the Company's net investment in those subsidiary companies, they are stated at cost less impairment losses, if any.

During the current financial year, the Directors reviewed the Company's investment in subsidiary companies for indication of impairment and concluded that accumulated impairment losses of RM50,880,000 (2022: RM5,504,000) is deemed adequate in respect of investment in subsidiary companies.

i.) Investment holding

During the financial year, an impairment loss of RM20,094,833 was recognised in profit or loss under other expenses, representing the impairment of investment in subsidiary and capital contribution to Bina Puri Power Sdn Bhd, in view of unprofitable operation. The recoverable amount is in negative as at 30 June 2023 was based on value-in-use and was determined at the level of cash generating unit. In determining the value-in-use for the cash generating unit, the cash flows were discounted at a rate of 6.38% on a pre-tax basis.

Notes to the Financial Statements
30 June 2023 (cont'd)

9. Investment in Subsidiary Companies (Cont'd)

ii.) Investment holding

During the financial year, an impairment loss of RM3,780,985 was recognised in profit or loss under other expenses, representing the impairment of investment in subsidiary, Bina Puri Juara Sdn. Bhd., in view of lacking operation. The recoverable amount is RM4,719,015 as at 30 June 2023 was based on fair value less cost of disposal of the investment.

iii.) Contractor of earthworks, buildings and road construction

During the financial year, an impairment loss of RM21,500,000 was recognised in profit or loss under other expenses, representing the impairment of investment in subsidiary, Bina Puri Builder Sdn. Bhd., in view of high-speed rail operation in Thailand has not been approved, and projects mostly has low recovery. The recoverable amount is in negative as at 30 June 2023 was based on value-in-use and was determined at the level of cash generating unit. In determining the value-in-use for the cash generating unit, the cash flows were discounted at a rate of 6.38% on a pre-tax basis.

Notes to the Financial Statements
30 June 2023 (cont'd)

9. Investment in Subsidiary Companies (Cont'd)

The subsidiary companies and shareholdings therein are as follows:

Name of Company	Place of business/ Country of incorporation	Effective 2023 %	Interest 2022 %	Principal Activities
Direct holding:				
Bina Puri Sdn. Bhd.	Malaysia	100	100	Contractor of earthworks, buildings and road construction
Aksi Bina Puri Sdn. Bhd. *	Malaysia	60	60	Investment holding
Bina Puri Ventures Sdn. Bhd. *	Malaysia	100	100	Investment holding and contractor of earthworks, buildings and road construction
Bina Puri Infrastructure Pte. Ltd. **	India	100	100	Inactive
Gugusan Murni Sdn. Bhd. *	Malaysia	100	100	Property developer and management
Maskimi Venture Sdn. Bhd. *	Malaysia	100	100	Commission agent
Bina Puri Power Sdn. Bhd. *	Malaysia	100	100	Investment holding
Puri Residence Management Sdn. Bhd. *	Malaysia	100	100	Investment holding
Bina Puri Juara Sdn. Bhd. *	Malaysia	100	100	Investment holding
Bina Puri Gah Sdn. Bhd. *^	Malaysia	-	60	Inactive
Bina Puri Pakistan Private Ltd. *	Malaysia	99.97	99.97	Builder of motorway

Notes to the Financial Statements
30 June 2023 (cont'd)

9. Investment in Subsidiary Companies (Cont'd)

The subsidiary companies and shareholdings therein are as follows: (Cont'd)

Name of Company	Place of business/ Country of incorporation	Effective 2023 %	Interest 2022 %	Principal Activities
Direct holding: (Cont'd)				
Bina Puri Properties (B) Sdn. Bhd. *	Brunei Darussalam	100	100	Renting of service apartment and property management
Bina Puri (B) Sdn. Bhd. *	Brunei Darussalam	90	90	Contractor of earthworks, buildings and road construction
Bina Puri Properties Sdn. Bhd.	Malaysia	100	100	Property developer and management
Bina Puri Hong Kong Ltd *	Hong Kong	100	100	Inactive
Bina Puri Cambodia Ltd. *	Cambodia	100	100	Inactive
BP Energy Sdn. Bhd. *	Malaysia	100	100	Inactive
Bina Puri Builder Sdn. Bhd.	Malaysia	100	100	Contractor of earthworks, buildings and road construction
BP Realty Sdn. Bhd. *	Malaysia	100	100	Project management consultancy services
Bina Puri Perkasa Sdn. Bhd. *	Malaysia	70	-	Inactive

Notes to the Financial Statements
30 June 2023 (cont'd)

9. Investment in Subsidiary Companies (Cont'd)

The subsidiary companies and shareholdings therein are as follows: (Cont'd)

Name of Company	Place of business/ Country of incorporation	Effective 2023 %	Interest 2022 %	Principal Activities
Indirect holding:				
Subsidiary companies of Bina Puri Properties Sdn. Bhd.				
Ascotville Development Sdn. Bhd. *	Malaysia	100	100	Property developer and management
BP S14 Sdn. Bhd. *	Malaysia	100	100	Inactive
BP Healthcare Development Sdn. Bhd. *	Malaysia	100	100	Inactive
Ideal Heights Properties Sdn. Bhd.	Malaysia	57	57	Property developer and management
Subsidiary companies of Ideal Heights Properties Sdn. Bhd.				
Ideal Heights Sdn. Bhd.	Malaysia	57	57	Inactive
Ideal Heights Property Management Sdn. Bhd.	Malaysia	57	57	Property development and property management
Ideal Heights Development Sdn. Bhd.	Malaysia	40	40	Property development
The Waterfront Sdn. Bhd.	Malaysia	40	40	Hotel management

Notes to the Financial Statements
30 June 2023 (cont'd)

9. Investment in Subsidiary Companies (Cont'd)

The subsidiary companies and shareholdings therein are as follows: (Cont'd)

Name of Company	Place of business/ Country of incorporation	Effective 2023 %	Interest 2022 %	Principal Activities
Subsidiary company of Ideal Heights Development Sdn. Bhd.				
Imperium Residence Property Management Sdn. Bhd.	Malaysia	40	40	Property development
Subsidiary company of Bina Puri Sdn. Bhd.				
Konsortium Syarikat Bina Puri-TA3 JV Sdn. Bhd. *^	Malaysia	-	70	Contractor for earthworks, building and road
Indirect holding: (Cont'd)				
Subsidiary company of Bina Puri Ventures Sdn. Bhd.				
Maskimi Polyol Sdn. Bhd. *	Malaysia	100	100	Manufacturer of polyol
Subsidiary company of Bina Puri Power Sdn. Bhd.				
PT Megapower Makmur *	Republic of Indonesia	51	51	Power supply building materials

Notes to the Financial Statements
30 June 2023 (cont'd)

9. Investment in Subsidiary Companies (Cont'd)

The subsidiary companies and shareholdings therein are as follows: (Cont'd)

Name of Company	Place of business/ Country of incorporation	Effective 2023 %	Interest 2022 %	Principal Activities
Subsidiary companies of Bina Puri Juara Sdn. Bhd.				
Bina Puri Mining Sdn. Bhd. *	Malaysia	100	100	Inactive
BP Solar Sdn. Bhd. *	Malaysia	100	100	Inactive
Sungai Long Industries Sdn. Bhd. *	Malaysia	51	51	Quarry operator and contractor of road paving projects
KM Quarry Sdn. Bhd.	Malaysia	70	70	Quarry operator and contractor of road paving projects
Subsidiary companies of Aksi Bina Puri Sdn. Bhd.				
Sumbangan Lagenda Sdn. Bhd. *	Malaysia	36	36	Property developer, management and investment holding
Karak Land Sdn. Bhd. *	Malaysia	42	42	Property developer and management
Semarak Semerah Sdn. Bhd. *	Malaysia	60	60	Investment holding

Notes to the Financial Statements
30 June 2023 (cont'd)

9. Investment in Subsidiary Companies (Cont'd)

The subsidiary companies and shareholdings therein are as follows: (Cont'd)

Name of Company	Place of business/ Country of incorporation	Effective 2023 %	Interest 2022 %	Principal Activities
Subsidiary companies of Sumbangan Lagenda Sdn. Bhd.				
Legasi Properties Sdn. Bhd. (Formerly known as Sumbangan Lagenda (T8 Fasiliti) Sdn. Bhd.) **	Malaysia	100	-	Dormant
T8 Gym Sdn. Bhd. (Formerly known as Sumbangan Lagenda (DLL Mall) Sdn. Bhd.) **	Malaysia	100	-	Dormant
Subsidiary company of Semarak Semerah Sdn. Bhd.				
Star Effort Sdn. Bhd. *	Malaysia	57	57	Property developer and management

* *Subsidiary companies not audited by UHY*

** *Subsidiary companies without audited financial statements and auditors' reports but the unaudited financial statements of the subsidiary companies were adopted by the Group for the purpose of the consolidated financial statements of the Group*

^ *Strike off during the financial year 2023*

Notes to the Financial Statements
30 June 2023 (cont'd)

9. Investment in Subsidiary Companies (Cont'd)

(a) Material partly-owned subsidiary companies

Set out below are the Group's subsidiary companies that have material noncontrolling interest:

Name of Company	Proportion of ownership interests and voting rights held by non-controlling interests 2023 %	2022 %	Profit/(Loss) allocated to non-controlling interests 2023 RM'000	2022 RM'000	Accumulated non-controlling interests 2023 RM'000	2022 RM'000
Sumbangan Lagenda Sdn. Bhd.	64	64	133	2,321	72,729	72,596
PT Megapower Makmur	49	49	(7,184)	602	7,908	15,092
					80,637	87,688
Individually immaterial subsidiary companies with non-controlling interests					23,643	19,481
Total non-controlling interests					104,280	107,169

Summarised financial information for each subsidiary company that has non-controlling interests that are material to the Group is set out below. The summarised financial information below represents amounts before inter-company eliminations.

	PT Megapower Makmur 2023 RM'000	2022 RM'000	Sumbangan Lagenda Sdn. Bhd. 2023 RM'000	2022 RM'000
Summarised statements of financial position				
Non-current assets	54,649	56,537	209,895	209,987
Current assets	4,514	5,735	12,128	12,259
Non-current liabilities	(22,264)	(26,719)	(72,979)	(76,209)
Current liabilities	(1,077)	(1,385)	(35,281)	(32,606)
Net assets	35,822	34,168	113,763	113,431

Notes to the Financial Statements
30 June 2023 (cont'd)

9. Investment in Subsidiary Companies (Cont'd)

(a) Material partly-owned subsidiary companies (Cont'd)

	PT Megapower Makmur		Sumbangan Lagenda Sdn. Bhd.	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Summarised statements of profit or loss and other comprehensive income				
Revenue	11,546	14,065	13,027	12,082
(Loss)/Profit for the financial year	(147)	435	333	3,626
Total comprehensive (loss)/income for the financial year	(110)	385	333	3,626
Summarised statements of cash flows				
Net cash from operating activities	5,108	4,831	3,243	2,192
Net cash used in investing activities	(19)	(18)	(4)	(12)
Net cash used in financing activities	(5,230)	(4,946)	(3,634)	(1,179)
Net (decrease)/increase in cash and cash equivalents	(141)	(133)	(395)	1,001

(b) Acquisition of subsidiary companies

(i) In the previous financial year, Bina Puri Properties Sdn. Bhd. ("BPPSB") disposed off 60% of its shareholdings in Aksi Bina Puri Sdn. Bhd. ("ABPSB") to the Company, for a total consideration of RM250,000 ("Internal Reorganisation"). Upon completion of Internal Reorganisation, ABPSB become direct subsidiary company of the Company.

The Internal Reorganisation did not have any effect on the issued and paid up share capital of the Company or its major shareholders' shareholding or material effect on the earnings, net assets or gearing of the Group on a consolidated basis.

Notes to the Financial Statements
30 June 2023 (cont'd)

9. Investment in Subsidiary Companies (Cont'd)

(b) Incorporation of subsidiary companies

(i) During the financial year, the Company incorporated Bina Puri Perkasa Sdn. Bhd. ("BP Perkasa") with an initial paid-up share capital of RM1,000 comprising of 1,000 ordinary shares. The Company subscribed 700 ordinary shares in BP Perkasa for a total cash consideration of RM700 only. Consequently, BP Perkasa became a 70% owned subsidiary of the Company.

(ii) During the financial year, Sumbangan Lagenda Sdn. Bhd. ("SLSB"), a 60% owned subsidiary of Aksi Bina Puri Sdn. Bhd. ("ABSB"), a 60% owned subsidiary of the Company incorporated T8 Gym Sdn. Bhd. (formerly known as Sumbangan Lagenda (DLL Mall) Sdn. Bhd. ("T8") with an initial paid-up share capital of RM10,000 comprising of 10,000 ordinary shares. SLSB subscribed 10,000 ordinary shares in T8 for a total cash consideration of RM10,000 only. Consequently, T8 became a wholly owned subsidiary of SLSB.

(iii) During the financial year, Sumbangan Lagenda Sdn. Bhd. ("SLSB"), a 60% owned subsidiary of Aksi Bina Puri Sdn. Bhd. ("ABSB"), a 60% owned subsidiary of the Company incorporated Legasi Properties Sdn. Bhd. (formerly known as Sumbangan Lagenda (T8 Fasiliti) Sdn. Bhd. ("LPSB") with an initial paid-up share capital of RM10,000 comprising of 10,000 ordinary shares. SLSB subscribed 10,000 ordinary shares in LPSB for a total cash consideration of RM10,000 only. Consequently, LPSB became a wholly owned subsidiary of SLSB.

(c) Strike off subsidiary companies

Below mentioned subsidiaries were struck off from the register of the Companies Commission of Malaysia with publication of the Gazette pursuant to Section 551(3) of the Companies Act 2016:

(i) Konsortium Syarikat Bina Puri – TA 3 JV Sdn. Bhd., a 70% owned subsidiary of Bina Puri Sdn. Bhd., a wholly owned subsidiary of the Company was struck off on 17 May 2023.

(ii) Bina Puri Gah Sdn. Bhd., a 60% owned subsidiary of the Company was struck off on 30 May 2023.

Notes to the Financial Statements
30 June 2023 (cont'd)

10. Investment in Associates

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
In Malaysia				
At cost				
Unquoted shares	30,495	30,495	30,250	30,250
Share of post acquisition reserves	(28,851)	(28,619)	-	-
Acquisition during the financial year	-	*	-	-
	1,644	1,876	30,250	30,250
Less: Accumulated impairment losses				
At 1 July/30 June	(460)	(460)	(250)	(250)
	1,184	1,416	30,000	30,000
Outside Malaysia				
At cost				
Unquoted shares	3,916	3,916	3,916	3,916
Share of post acquisition reserves	(3,455)	(3,455)	-	-
	461	461	3,916	3,916
Less: Accumulated impairment losses				
At 1 July/30 June	(461)	(461)	(3,866)	(461)
Impairment loss recognised	-	-	(50)	(3,405)
At 30 June	(461)	(461)	(3,916)	(3,866)
	-	-	-	50
	1,184	1,416	30,000	30,050

* denote RM335

Notes to the Financial Statements
30 June 2023 (cont'd)

10. Investment in Associates (Cont'd)

Details of the associates are as follows:

Name of Company	Place of business/ Country of incorporation	Effective 2023 %	Interest 2022 %	Principal Activities
Direct holding:				
Bina Puri Holdings (Thailand) Ltd. **	Thailand	49	49	Investment holding
Bina Puri (Thailand) Ltd. **	Thailand	25	25	Contractor of earthworks, buildings and road construction
Bina Puri Saudi Co. Ltd. **	Arab Saudi	50	50	Inactive
KL-Kuala Selangor Expressway Berhad ("KLKSE") **	Malaysia	50	50	Builder and operator of an expressway
Bina Puri Amat Aramak Properties Sdn. Bhd. *	Malaysia	50	50	Inactive
Bina Puri Amat Aramak Sdn. Bhd. *	Malaysia	50	50	Inactive
Indirect holding:				
Held through Bina Puri Juara Sdn. Bhd.				
Dimara Building System Sdn. Bhd. **	Malaysia	30	30	Contractor in steel engineering works
Bina Puri Sentosa Venture Sdn. Bhd. *	Malaysia	50	50	Inactive
Held through Bina Puri Power Sdn. Bhd.				
Serambi Idaman Sdn. Bhd. **	Malaysia	10	10	Inactive
Held through Bina Puri Properties Sdn. Bhd.				
BP XA Sdn. Bhd. *	Malaysia	50	50	Inactive

Notes to the Financial Statements
30 June 2023 (cont'd)

10. Investment in Associates (Cont'd)

Details of the associates are as follows:

Name of Company	Place of business/ Country of incorporation	Effective 2023 %	Interest 2022 %	Principal Activities
Held through Karak Land Sdn. Bhd.				
Karak Spring Sdn. Bhd. *	Malaysia	21	21	Durian Plantation
Held through The Waterfront Sdn. Bhd.				
Majesitc Bay Seafood Restaurant Sdn. Bhd. **	Malaysia	13	13	Business in restaurant activity

* Associates not audited by UHY

** Associates without audited financial statements and auditors' reports but the unaudited financial statements of the associates were adopted by the Group for the purpose of the consolidated financial statements of the Group

Notes to the Financial Statements
30 June 2023 (cont'd)

10. Investment in Associates (Cont'd)

The Group has not recognised its share of profit of KL-Kuala Selangor Expressway Berhad amounting to RM3,416,000 (2022: losses of RM7,746,000) because the Group's cumulative shares of losses has exceeded its interest in the associate and the Group has no obligation in respect of these losses. The Group cumulative losses not recognised were RM113,166,608 (2022: RM116,582,554).

In the previous financial year, the 40% owned subsidiary company of the Company, The Waterfront Sdn. Bhd. ("TWSB") had subscribed 335 ordinary shares, representing 33.5% equity interest in an associate, Majestic Bay Seafood Restaurant Sdn. Bhd. ("MBSSB").

Summarised financial informations of the Group's material associates, KL-Kuala Selangor Expressway Berhad ("KLKSE") is set out below:

	KLKSE	
	2023	**2022**
	RM'000	**RM'000**
Summarised statements of financial position		
Non-current assets	896,457	915,282
Current assets	79,279	91,064
Non-current liabilities	(1,183,887)	(1,218,533)
Current liabilities	(18,183)	(20,979)
Net liabilities	(226,334)	(233,166)
Interest in associate	50%	50%
Group's share of net assets	(113,167)	(116,583)
Carrying value of the Group's interest in associates	(113,167)	(116,583)
Summarised statements of profit or loss and other comprehensive income		
Revenue	104,350	49,290
Profit/(Loss) for the financial year	6,832	(15,491)
Total comprehensive loss for the financial year	6,832	(15,491)
Interest in associate	50%	50%
Group's share of profit or loss	3,416	(7,746)

There are no commitment nor contingent liabilities relating to the Group's interest in the associates.

Notes to the Financial Statements
30 June 2023 (cont'd)

11. Investment in Joint Venture

	Group 2023 RM'000	Group 2022 RM'000
In Malaysia:		
At cost		
Unquoted shares	3,490	3,000
Share of post-acquisition reserves	5,935	9,479
	9,425	12,479

Details of the joint venture are as follows:

Name of Company	Place of business/ Country of incorporation	Effective 2023 %	Interest 2022 %	Principal Activities
Held through Bina Puri Sdn. Bhd.				
PPESW BPSB JV Sdn. Bhd. *	Malaysia	30	30	Developing and upgrading the Pan Borneo Highway (WP06) from Sg. Awik Bridge to Bintangor Junction
Held through Bina Puri Builder Sdn. Bhd.				
Chunyang Bina Puri (JV) Sdn. Bhd. *	Malaysia	49	-	Construction and road work

* Joint venture not audited by UHY

Notes to the Financial Statements
30 June 2023 (cont'd)

11. Investment in Joint Venture (Cont'd)

Summarised financial informations of the Group's joint venture, PPESW BPSB JV Sdn. Bhd. ("PPESW") is set out below: (Cont'd)

	PPESW	
	2023 RM'000	2022 RM'000
Summarised statements of financial position		
Non-current assets	193	490
Current assets	106,566	79,165
Non-current liabilities	(183)	(113)
Current liabilities	(76,792)	(37,947)
Net (liabilities)/assets	29,784	41,595
Interest in associate	30%	30%
Group's share of net assets	8,935	12,479
Carrying value of the Group's interest in joint venture	8,935	12,479
Summarised statements of profit or loss and other comprehensive income		
Revenue	93,089	185,048
Profit for the financial year	4,310	24,490
Total comprehensive income for the financial year	4,310	24,490
Interest in associate	30%	30%
Group's share of profit or loss	1,293	7,347

Notes to the Financial Statements
30 June 2023 (cont'd)

12. Investment in Joint Operations

Details of the joint operations are as follows:

Name of Company	Place of business/ Country of incorporation	Effective 2023 %	Interest 2022 %	Principal Activities
Joint operation under the Company				
SPK-Bina Puri Joint Venture	United Arab Emirates	30	30	Builder and contractor for general engineering and construction works
Joint operation under Bina Puri Sdn. Bhd.				
UEMC-Bina Puri Joint Venture	Malaysia	40	40	Builder and contractor for general engineering and construction works

The financial statements of the joint operations have been amalgamated with the financial statements of the Company and the wholly owned subsidiary company, Bina Puri Sdn. Bhd. for the year ended 30 June 2023 under their respective categories of income, expenses, assets and liabilities.

Notes to the Financial Statements
30 June 2023 (cont'd)

13. Other Investments

	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Financial assets at fair value through other comprehensive income				
At 1 July/30 June	6,085	6,085	6,136	6,136
Accumulated impairment losses				
At 1 July/30 June	(3,304)	(3,304)	(3,304)	(3,304)
Carrying amount				
At 30 June	2,781	2,781	2,832	2,832
Presented by:				
Unquoted shares, in Malaysia	2,725	2,725	2,832	2,832
Transferable corporate membership in golf and country membership	56	56	-	-
	2,781	2,781	2,832	2,832

Notes to the Financial Statements
30 June 2023 (cont'd)

14. Trade Receivables

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Trade receivables:				
- Retention sum	10,196	15,247	-	-
- Third parties	122,276	127,721	-	1,636
	132,472	142,968	-	1,636
Less: Accumulated impairment losses	(8,722)	(6,500)		(62)
	123,750	136,468	-	1,574
Presented as:				
Non Current	50	2,148	-	-
Current	123,700	134,320	-	1,574
	123,750	136,468	-	1,574

Trade receivables are non-interest bearing and are generally on 30 to 90 days (2022: 30 to 90 days) term. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Retention on contracts, included in trade receivables of the Group and the expected recovery are presented as follows:

	Group	
	2023 RM'000	2022 RM'000
Within one year	10,146	13,099
More than one year	50	2,148
	10,196	15,247

Notes to the Financial Statements 30 June 2023 (cont'd)

14. Trade Receivables (Cont'd)

Movements in the allowance for impairment losses for trade receivables are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
At 1 July	6,500	6,746	62	-
Disposal of subsidiary company	-	-	-	-
Impairment losses recognised	2,701	2,854	-	62
Reversal of impairment losses	(417)	-	-	-
Written off	(62)	(3,100)	(62)	-
At 30 June	8,722	6,500	-	62

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within the credit term.

The Group applies the simplified approach to measure the impairment losses on trade receivables and contract assets at lifetime expected credit losses ("Lifetime ECL"). Expected credit losses of all other financial assets are measured at an amount equal to 12 month expected credit losses ("12 - month ECL") if credit risk on a financial asset has not increased significantly. The Group compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition to ascertain whether there is a significant increase in credit risk. The assessment takes into consideration the macroeconomic information, credit rating and other supportable forward-looking information.

A significant increase in credit risk is presumed if a debt is more than 180 days past due. Where the credit risk has increased significantly, the impairment loss is measured at an amount equal to lifetime expected credit losses ("Lifetime ECL – Underperforming").

Full impairment losses are made for financial assets and contract assets that are determined to be credit impaired ("Lifetime ECL - Credit Impaired"). These are debtor who have defaulted on payments and are in financial difficulties.

The loss allowance account in respect of trade receivables is used to record loss allowance. Unless the Group is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

Notes to the Financial Statements
30 June 2023 (cont'd)

14. Trade Receivables (Cont'd)

Analysis of the trade receivables ageing as at the end of the financial year is as follows:

	Gross amount RM'000	Loss allowance RM'000	Net Amount RM'000
Group			
2023			
Neither past due nor impaired	59,947	-	59,947
Past due not impaired:			
Less than 30 days	1,511	(26)	1,485
31 to 60 days	3,553	(42)	3,511
More than 90 days	63,543	(4,736)	58,807
	68,607	(4,804)	63,803
	128,554	(4,804)	123,750
Credit impaired:			
Individual impaired	3,918	(3,918)	-
	132,472	(8,722)	123,750
2022			
Neither past due nor impaired	45,794	(1)	45,793
Past due not impaired:			
31 to 60 days	8,320	(15)	8,305
61 to 90 days	9,514	(237)	9,277
More than 90 days	77,427	(4,334)	73,093
	95,261	(4,586)	90,675
	141,055	(4,587)	136,468
Credit impaired:			
Individual impaired	1,913	(1,913)	-
	142,968	(6,500)	136,468
Company			
2022			
Past due not impaired:			
More than 90 days	1,636	(62)	1,574

As at 30 June 2023, trade receivables of the Group and of the Company amounting to RM63,803,000 and RM Nil (2022: RM90,675,000 and RM1,574,000) were past due but not impaired. These relate to a number of customers from whom there is no recent history of default.

Trade receivables of the Group that are individually determined to be impaired amounting to RM3,918,000 (2022: RM1,913,000) at the reporting date relate to debtors that are in financial difficulties, have defaulted on payments and/ or dispute billings. These receivables are not secured by any collateral or credit enhancements.

Notes to the Financial Statements
30 June 2023 (cont'd)

15. Deferred Tax Assets/(Liabilities)

Deferred tax assets

	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
At 1 July	380	3,645	-	-
Acquisition of a subsidiary company	-	-	-	-
Recognised in profit or loss	458	(1)	-	-
Over provision in prior years	554	(3,264)	-	-
At 30 June	1,392	380	-	-

Deferred tax liabilities

	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
At 1 July	(14,241)	(18,129)	-	-
Acquisition of a subsidiary company	-	-	-	-
Recognised in profit or loss	(92)	(424)	-	-
Over provision in prior years	(565)	4,312	-	-
At 30 June	(14,898)	(14,241)	-	-

The net deferred tax assets and liabilities shown on the statement of financial position after appropriate offsetting are as follows:

	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Deferred tax assets	1,393	380	32	37
Deferred tax liabilities	(14,898)	(14,241)	(32)	(37)
	(13,505)	(13,861)	-	-

Notes to the Financial Statements
30 June 2023 (cont'd)

15. Deferred Tax Assets/(Liabilities) (Cont'd)

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

	Unabsorbed capital allowances RM'000	Unutilised tax losses RM'000	Other temporary difference RM'000	Total RM'000
Deferred tax assets				
Groups				
At 1 July 2022	380	-	-	380
Recognised in profit or loss	(30)	(74)	562	458
Under/(Over) provision in prior years	208	257	89	554
At 30 June 2023	558	183	651	1,392
At 1 July 2021	84	1,364	2,197	3,645
Recognised in profit or loss	(1)	18	(18)	(1)
Under/(Over) provision in prior years	297	(1,382)	(2,179)	(3,264)
At 30 June 2022	380	-	-	380

	Accelerated capital allowances RM'000	Revaluation of investment property RM'000	Total RM'000
Deferred tax liabilities			
Groups			
At 1 July 2022	(11)	(14,230)	(14,241)
Recognised in profit or loss	(92)	-	(92)
Under/(Over) provision in prior years	(565)	-	(565)
At 30 June 2023	(668)	(14,230)	(14,898)
At 1 July 2021	(33)	(18,096)	(18,129)
Recognised in profit or loss	(11)	(413)	(424)
Under/(Over) provision in prior years	33	4,279	4,312
At 30 June 2022	(11)	(14,230)	(14,241)

Notes to the Financial Statements
30 June 2023 (cont'd)

15. Deferred Tax Assets/(Liabilities) (Cont'd)

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

	Accelerated capital allowances	
	2023 RM'000	2022 RM'000
Deferred tax liabilities		
Company		
At 1 July	(37)	(43)
Recognised in profit or loss	5	6
At 30 June	(32)	(37)

	Accelerated capital allowances	
	2023 RM'000	2022 RM'000
Deferred tax assets		
Company		
At 1 July	37	43
Recognised in profit or loss	(5)	(6)
At 30 June	32	37

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

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Unutilised tax losses	269,657	179,102	48,894	34,074
Unabsorbed capital allowances	1,226	1,084	396	269
Other temporary differences	1,475	5,504	-	-
	272,358	185,690	49,290	34,343

Deferred tax assets have not been recognised in respect of these items as they may not have sufficient taxable profits to be used to offset or they have arisen in subsidiary companies that have a recent history of losses.

Notes to the Financial Statements
30 June 2023 (cont'd)

16. Other Receivables

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Non-current				
Other receivables				
- Third parties	29,762	31,409	22,610	25,840
Current				
Other receivables				
- Third parties	146,542	161,252	40,807	21,614
- Related parties	4,061	6,737	-	273
	150,603	167,989	40,807	21,887
Less: Accumulated impairment losses	(15,711)	(13,797)	(3,877)	(2,711)
	134,892	154,192	36,930	19,176
Deposits	5,328	21,702	85	16,414
Prepayments	7,638	2,394	16	28
Contract costs	2,250	900	-	-
GST recoverable	23	57	-	-
	150,131	179,245	37,031	35,618
	179,893	210,654	59,641	61,458

The Group's and the Company's other receivables are non-trade, unsecured, interest-free and are repayable on demand.

The Groups' amount due by related parties represents interest receivable from companies in which certain Directors of the Group have interests. The amount is non-trade, unsecured, interest-free and are repayable on demand and is expected to be settled in cash.

The Company has entered into an authority liaison service agreement and engaged the service provider for the facilitation of obtaining necessary approvals and permits related to a property development project. These costs are amortised when the related revenue is recognised.

During the financial year, total costs to obtain contracts recognised by the Group as cost of sales in profit or loss amounting to RM Nil (2022: RM Nil).

There was no impairment loss in relation to the costs capitalised.

Notes to the Financial Statements
30 June 2023 (cont'd)

16. Other Receivables (Cont'd)

The Group is desirous to purchase land VN5 measuring approximately 4,249 sq. m. (hereinafter referred to as "the VN5 Land") and has paid RM16,290,600 (USD3,800,000) as a deposit to UPL Lao Company Limited on 18 July 2017. As the condition precedent has not been met within 5 years from the date of the agreement, as per the agreement UPL Lao Company Limited shall substitute Land or Properties or any other assets which is equivalent to the value of USD3,800,000.00, subject to independent valuation of the said replacement and acceptance of the replacement by UPL Lao Company Limited. Accordingly, the deposit paid has been reclassified from deposit to other receivable during the financial year ended, and an impairment of RM1,019,325 has been provided.

Movements in allowance for impairment losses of other receivables are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
At 1 July	13,797	490	2,711	490
Impairment losses recognised	4,211	13,373	1,166	2,221
Reversal of impairment losses	(1,232)	-	-	-
Written off	(1,065)	(66)	-	-
At 30 June	15,711	13,797	3,877	2,711

Other receivables that are individually determined to be impaired at the reporting date relate to receivables that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral.

Notes to the Financial Statements
30 June 2023 (cont'd)

17. Contract Assets/(Liabilities)

	Group 2023 RM'000	Group 2022 RM'000
Contract assets		
Construction contracts (Note a)	109,984	157,974
Property development activities (Note b)	8,359	11,882
	118,343	169,856
Contract liabilities		
Construction contracts (Note a)	(160)	(250)
Property development activities (Note b)	(7,614)	(10,739)
	(7,774)	(10,989)
At 30 June:		
Contract assets	118,343	169,856
Contract liabilities	(7,774)	(10,989)
	110,569	158,867

Contract assets primarily relate to the Group's rights to consideration for work performed but not yet billed at the reporting date for its contracted project activities. The amount due from contract customers will be transferred to trade receivables when the rights become unconditional.

Notes to the Financial Statements
30 June 2023 (cont'd)

17. Contract Assets/(Liabilities) (Cont'd)

Contract liabilities primarily relate to the advance consideration received from customer for construction contract, which revenue is recognised over time during the property development and construction activities.

(a) Construction contracts

	Group	
	2023 RM'000	2022 RM'000
Revenue incurred to date	795,645	806,293
Less: Progress billings	(685,821)	(648,569)
	109,824	157,724
Presented as:		
Contract assets	109,984	157,974
Contract liabilities	(160)	(250)

(b) Property development activities

	Group	
	2023 RM'000	2022 RM'000
Revenue incurred to date	319,902	309,085
Less: Progress billings	(319,157)	(307,942)
	745	1,143
Presented as:		
Contract assets	8,359	11,882
Contract liabilities	(7,614)	(10,739)

Notes to the Financial Statements
30 June 2023 (cont'd)

17. Contract Assets/(Liabilities) (Cont'd)

(b) Property development activities (Cont'd)

Contract assets in relation to property development activities represent the timing differences in revenue recognition in profit or loss and the milestone billings to purchasers as at the reporting date.

Contract assets are transferred to receivables when the rights to economic benefits become unconditional, when the Group issues billing to the customer. Contract liabilities are recognised as revenue when performance obligation are satisfied.

There were no significant changes in the contract assets and liabilities during the financial year.

Contract value yet to be recognise as revenue

The following table shows the revenue expected to be recognised in the future relating to performance obligation that were unsatisfied (or partially satisfied) at the reporting date:

	Group	
	2023 RM'000	**2022 RM'000**
Construction contracts	123,381	112,733
Property development activities	41,008	51,825
	164,389	164,558

Based on the information available to the Group, the management of the Group expects the transaction price allocated to the above unsatisfied (or partially unsatisfied) contracts will be recognised as revenue in the period of next 6 - 36 months.

Notes to the Financial Statements
30 June 2023 (cont'd)

18. Amount Due from/(to) Subsidiary Companies

(a) Amount due from subsidiary companies

	Company 2023 RM'000	Company 2022 RM'000
Amount due from subsidiary companies		
- Trade in nature	11,545	11,545
- Non-trade in nature	171,971	132,373
	183,516	143,918
Less: Accumulated impairment losses		
- Trade in nature	(11,542)	(11,542)
- Non-trade in nature	(17,532)	(15,166)
	(29,074)	(26,708)
	154,442	117,210

Movements in impairment losses on amount due from subsidiary companies during the financial year are as follows:

	Company 2023 RM'000	Company 2022 RM'000
At 1 July	26,708	41,382
Impairment losses recognised	7,471	9,630
Impairment losses reversed	(5,105)	(24,304)
At 30 June	29,074	26,708

Trade balances is given credit term of 30 to 90 days (2022: 30 to 90 days).

Non-trade balances is unsecured, interest-free and repayable on demand.

Notes to the Financial Statements
30 June 2023 (cont'd)

18. Amount Due from/(to) Subsidiary Companies (Cont'd)

(b) Amount due to subsidiary companies (Cont'd)

	Company	
	2023 RM'000	2022 RM'000
Amount due to subsidiary companies		
- Trade in nature	565	925
- Non-trade in nature	6,532	4,436
	7,097	5,361

Trade balances is given credit term of 30 to 90 days (2022: 30 to 90 days).

Non-trade balances is unsecured, interest-free and repayable on demand.

19. Amount Due from/(to) Associates

(a) Amount due from associates

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Amount due from associate companies				
- Trade in nature	9,283	9,283	9,283	9,283
- Non-trade in nature	30,989	25,855	27,222	23,792
	40,272	35,138	36,505	33,075
Less: Accumulated impairment losses				
- Non-trade in nature	(12,795)	(4,679)	(12,795)	(4,679)
	27,477	30,459	23,710	28,396

Notes to the Financial Statements
30 June 2023 (cont'd)

19. Amount Due from/(to) Receivables (Cont'd)

(a) Amount due from associates (Cont'd)

Movements in impairment losses on amount due from associates during the financial year are as follows:

	Group and Company	
	2023	2022
	RM'000	RM'000
At 1 July	4,679	4,679
Impairment losses recognised	8,116	-
At 30 June	12,795	4,679

Trade balances is given credit term of 30 to 90 days (2022: 30 to 90 days).

Non-trade balances is unsecured, interest-free and repayable on demand.

(b) Amount due to associates

Trade balances is given credit term of 30 to 90 days (2022: 30 to 90 days).

20. Fixed Deposits with Licensed Banks

The interest rates of fixed deposits of the Group ranging from 1.65% to 2.40% (2022: 1.30% to 2.15%) per annum and the maturities of deposits are ranging from 30 to 365 days (2022: 30 to 365 days).

The fixed deposits of the Group and of the Company amounting to RM6,354,980 and RM113,975 (2021: RM13,370,000 and RM7,000) respectively have been pledged to licensed banks as security for bankers' guarantees issued.

Notes to the Financial Statements
30 June 2023 (cont'd)

21. Cash and Bank Balances

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash and bank balances	18,582	21,603	1,466	724
Housing development account	432	1,697	-	-
	19,014	23,300	1,466	724

Included in cash and bank balances of the Group is an amount of RM432,000 (2022: RM1,697,000) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966 and therefore restricted from use in other operations.

Withdrawals from the Housing Development Account are restricted to property development expenditure incurred in respect of the specific development project.

22. Share Capital

	Group and Company			
	Number of Shares		Amount	
	2023 Units'000	2022 Units'000	2023 RM'000	2022 RM'000
Ordinary shares with no par value				
Issued and fully paid shares				
At 1 July	1,597,645	1,431,110	246,521	236,435
Issuance of new shares pursuant to:				
- private placement	479,294	143,111	16,775	7,519
- rights issue	1,292,773	-	36,162	-
- share issuance scheme	-	23,414	-	2,566
- conversion of warrants	1	10	*	1
At 30 June	3,369,713	1,597,645	299,458	246,521

* Denote to RM100

Notes to the Financial Statements
30 June 2023 (cont'd)

22. Share Capital (Cont'd)

During the financial year, the Company increased its issued and paid-up ordinary share capital from RM246,521,563 to RM299,457,773 by way of:

(a) 479,293,900 new ordinary shares at issue price of RM0.035 per ordinary share for a total cash consideration of RM16,775,287 through private placement;

(b) 1,000 new ordinary shares through conversion of Warrants at an exercise price of RM0.10 for a total cash consideration of RM100; and

(c) 1,292,772,689 new ordinary shares through rights issue at an issue price of RM0.035 per share for a total cash consideration of RM45,247,044.

In the previous financial year, the Company increased its issued and paid-up ordinary share capital from RM236,435,178 to RM246,521,563 by way of:

(a) 143,111,000 new ordinary shares at issue price of ranging from RM0.0494 to RM0.0542 per ordinary share for a total cash consideration of RM7,518,922 through private placement;

(b) 10,000 new ordinary shares through conversion of Warrants at an exercise price of RM0.10 for a total cash consideration of RM1,000; and

(c) 23,414,237 new ordinary shares through Share Issuance Scheme at an issue price of RM0.076 per share for a total cash consideration of RM1,779,482 for working capital purposes.

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

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

Notes to the Financial Statements
30 June 2023 (cont'd)

23. Reserves

		Group		Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Non-distributable					
Foreign currency translation reserve	(a)	(12,101)	(10,444)	54	54
Share option reserve	(b)	837	889	837	889
Warrant reserve	(c)	8,377	10,039	8,377	10,039
Distributable					
Retained earnings		(192,342)	(79,477)	(21,922)	38,364
		(195,229)	(78,993)	(12,654)	49,346

The nature of reserves of the Group and of the Company is as follows:

(a) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

(b) Share option reserve

A Share Issuance Scheme ("SIS") has been implemented on 1 March 2019 to enable the Company to grant new and additional SIS option to the eligible persons in accordance with the By-Laws of the SIS. The maximum number of shares which may be allotted under the SIS shall not exceed in aggregate fifteen percent (15%) of the total number of issued shares (excluding treasury shares, if any) of the Company at any point in time during the duration of the SIS or such other limit prescribed by any guideline, rule and/or regulation of the relevant authorities from time to time throughout the duration of the SIS.

The SIS shall be in force for a period of five (5) years from 01 March 2019. However, the Board of Directors may at its absolute discretion extend the duration of the scheme upon the recommendation of the option committee, subject always that the duration of the SIS shall not exceed ten (10) years or such other period as may be prescribed by Bursa Malaysia Securities Berhad or other relevant authorities.

Notes to the Financial Statements
30 June 2023 (cont'd)

23. Reserves (Cont'd)

The nature of reserves of the Group and of the Company is as follows: (Cont'd)

(b) Share option reserve (Cont'd)

Subject to any adjustments made in accordance with the By-Laws and pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad, the price payable for the new shares upon exercise of the SIS options shall be based on the five (5) day volume-weighted average market price of the Company's shares immediately preceding the date of offer with a discount of not more than ten percent (10%).

On 17 February 2020, the Company made an offer of 114,575,000 SIS options under the scheme to eligible persons at an exercise price of RM0.076. The SIS options were vested upon acceptance of the offer.

	Group and Company			
	Number of Shares Option		Amount	
	2023 Units'000	2022 Units'000	2023 RM'000	2022 RM'000
At 1 July	26,447	54,134	889	1,819
Lapsed during the financial year	(1,573)	(4,273)	(52)	(143)
Exercised during the financial year	-	(23,414)	-	(787)
At 30 June	24,874	26,447	837	889
Options exerciseable at 30 June	24,874	26,447		

Notes to the Financial Statements
30 June 2023 (cont'd)

23. Reserves (Cont'd)

The nature of reserves of the Group and of the Company is as follows: (Cont'd)

(b) Share option reserve (Cont'd)

During the financial year, none of the share options were exercised. The weighted average share price at the date of exercise for the year was Nil (2022: RM0.0336).

The salient features of the SIS are as follows:

(i) Maximum number of SIS shares

The maximum number of SIS shares shall not exceed in aggregate 15% of the total number of issued ordinary shares (excluding treasury shares, if any) at any time over the duration of the SIS, as provided for in the By-Laws.

(ii) Eligibility

Subject to the determination and discretion of the option committee, a director or employee of the Group (excluding dormant subsidiaries) who fulfils the following criteria as at the date of offer shall be eligible to participate in the SIS:

(a) Any employee who fulfils the following criteria as at the date of offer:

(i) he/she has attained 18 years of age and is not an undischarged bankrupt;

(ii) he/she is employed by a company within the Group (excluding dormant subsidiaries); and

(iii) he/she fulfils any other criteria and/or falls within such category as may be determined by the option committee at its sole discretion from time to time.

Notes to the Financial Statements
30 June 2023 (cont'd)

23. Reserves (Cont'd)

The nature of reserves of the Group and of the Company is as follows: (Cont'd)

(b) Share option reserve (Cont'd)

(ii) Eligibility (Cont'd)

(b) Any person who holds a directorship in a company within the Group (excluding dormant subsidiaries), in an executive capacity, and shall have the meaning given in Section 2(1) of the Companies Act 2016 and Section 2(1) of the Capital Markets and Services Act 2007 (excluding independent director, non-executive director and alternate director), who fulfils the following criteria as at the date of offer:

(i) he/she has attained 18 years of age and is not an undischarged bankrupt;

(ii) he/she is a director named in the register of directors of a company within the Group (excluding dormant subsidiaries) for a continuous period of at least 12 months; and

(iii) he/she fulfils any other criteria and/or falls within such category as may be determined by the option committee at its sole discretion from time to time.

(iii) Basis of allotment and maximum allowable allotment of SIS shares

The basis of allocation of the number of SIS shares and the maximum number of SIS shares which may be offered and allotted to an eligible person shall be determined entirely at the discretion of the option committee and subject to the provisions of the By-Laws as well as taking into consideration, where relevant, the eligible person's position, seniority, performance, length of service, contribution to the continued success of the Group and such other factors that the option committee may deem relevant.

Notwithstanding the foregoing, the total number of SIS shares is subject to the following:

(a) not more than 80% of the total number of SIS shares to be issued under the SIS shall be allocated, in aggregate, to the eligible directors and senior management of the Group (excluding dormant subsidiaries);

Notes to the Financial Statements
30 June 2023 (cont'd)

23. Reserves (Cont'd)

The nature of reserves of the Group and of the Company is as follows: (Cont'd)

(b) Share option reserve (Cont'd)

(iii) Basis of allotment and maximum allowable allotment of SIS shares (Cont'd)

(b) not more than 10% of the total number of SIS shares shall be allocated to an eligible person who either singly or collectively through persons connected with the eligible person holds 20% or more of the total number of issued shares in the Company (excluding treasury shares, if any); and

(c) the eligible directors and senior management of the Group (excluding dormant subsidiaries) do not participate in the deliberation or discussion of their own allocation of SIS options, provided always that it is in accordance with the Listing Requirements or prevailing guidelines issued by Bursa Malaysia Securities Berhad or any other requirement of the relevant authorities and as amended from time to time.

(iv) Option price

Subject to any adjustment made in accordance with the By-Laws and pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad, the option price shall be based on the price to be determined by the Board of Directors upon recommendation of the option committee based on the five (5) day volume-weighted average price of the Company's shares immediately preceding the date of offer, with a discount of not more than 10%.

(v) Ranking of the SIS shares

The SIS shares shall, upon allotment and issuance, rank pari passu in all respects with the then existing shares of the Company, save and except that the SIS shares will not be entitled to any dividends, rights, allotments and/or any other distributions, the entitlement date of which is prior to the date of allotment and issuance of such SIS shares.

(vi) Duration of the SIS

The SIS shall be in force for a period of 5 years from 1 March 2019. However, the Board of Directors may at its absolute discretion extend the duration of the New SIS upon the recommendation of the option committee, subject always that the duration of the SIS shall not exceed 10 years or such other period as may be prescribed by Bursa Malaysia Securities Berhad or any other relevant authorities.

Notes to the Financial Statements
30 June 2023 (cont'd)

23. Reserves (Cont'd)

The nature of reserves of the Group and of the Company is as follows: (Cont'd)

(c) Warrant reserve

Warrants are classified as equity investment and the value is allocated based on the closing price on the first trading day and recognised in the warrant reserve.

The issuance of ordinary shares upon exercise of the warrants is treated as new subscription of ordinary shares for the consideration equivalent to the exercise price of the warrants.

Warrant reserve represents cumulative fair value of the warrants yet to be exercised.

Warrant 2019/2022

The warrants are valid to be exercised for a period of 3 years from its issue date and ending on 22 December 2022 ("Exercise Period"). During the Exercise Period, each warrant shall entitle its registered holder to subscribe for one new ordinary share of the Company at an exercise price of RM0.10 per warrant in accordance with the provisions of the Deed Poll dated 11 November 2019. Any warrants not exercised will lapse thereafter and cease to be valid.

On 30 December 2019, the Company issued 382,039,550 warrants in connection with the proposed rights issue with warrants. During the financial year, 1,000 warrants were exercised at the exercise price of RM0.10 per warrant. The total number of warrants that remain unexercised of 328,028,550 units were expired on 22 December 2022.

Warrant 2023/2028

The warrants are valid to be exercised for a period of 5 years from its issue date and ending on 17 April 2028 ("Exercise Period"). During the Exercise Period, each warrant shall entitle its registered holder to subscribe for one new ordinary share of the Company at an exercise price of RM0.04 per warrant in accordance with the provisions of the Deed Poll dated 2 March 2023. Any warrants not exercised will lapse thereafter and cease to be valid.

On 18 April 2023, the Company issued 258,554,471 warrants in connection with the proposed rights issue with warrants. At the end of the financial year, the total number of warrants that remain unexercised were 258,554,471.

Notes to the Financial Statements
30 June 2023 (cont'd)

24. Trade Payables

(a) Included in trade payables are retention on contracts of the Group which are unsecured, interest free and expected to be settled as follows:

	Group 2023 RM'000	Group 2022 RM'000
Within one year	50,695	57,052
More than one year	1,772	1,767
	52,467	58,819

(b) Credit terms of trade payables of the Group and of the Company ranged from 30 to 120 days (2022: 30 to 120 days) depending on the term of the contracts.

25. Lease Liabilities

	Group 2023 RM'000	Group 2022 RM'000
At 1 July	716	1,089
Additions	-	240
Payments	(228)	(630)
Exchange differences	23	17
At 30 June	511	716
Presented as:		
Non-Current	274	446
Current	237	270
	511	716

The maturity analysis of lease liabilities of the Group at the end of the reporting period:

	Group 2023 RM'000	Group 2022 RM'000
Within one year	247	285
Later than one year and not later than two years	246	359
Later than one year and not later than five years	35	95
	528	739
Less: Future finance charges	(17)	(23)
Present value of lease liabilities	511	716

Notes to the Financial Statements
30 June 2023 (cont'd)

25. Lease Liabilities (Cont'd)

The Group leases buildings. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

26. Bank Borrowings

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Secured				
Term loans	209,898	259,230	34,007	34,000
Bank overdrafts	12,202	12,594	1,291	1,911
Trust receipt and bank acceptance	21,477	18,410	-	-
Revolving credit	111,219	112,547	12,200	14,300
	354,796	402,781	47,498	50,211
Unsecured				
Bank overdrafts	7,147	7,261	2,443	2,682
Revolving credit	13,054	14,250	13,054	14,250
	20,201	21,511	15,497	16,932
	374,997	424,292	62,995	67,143
Analysed as:				
Non-Current				
Term loans	170,092	211,730	29,021	32,600
Revolving credit	20,164	23,080	19,950	23,080
	190,256	234,810	48,971	55,680
Current				
Term loans	39,805	47,500	5,200	1,400
Bank overdrafts	19,349	19,855	3,734	4,593
Trust receipt and bank acceptance	21,478	18,410	-	-
Revolving credit	104,109	103,717	5,090	5,470
	184,741	189,482	14,024	11,463
	374,997	424,292	62,995	67,143

Notes to the Financial Statements
30 June 2023 (cont'd)

26. Bank Borrowings (Cont'd)

The bank overdrafts, banker acceptance, bridging loan, revolving credit and term loans obtained from licensed banks are secured by the following:

Term loans, bank overdrafts, bridging loan and revolving credit

(a) A fixed charge over the property, plant and equipment of the subsidiary companies;

(b) Deeds of assignment over the proceeds of contracts awarded, rental agreement and housing development account to the Group;

(c) Corporate guarantee provided by the Company and certain subsidiary companies;

(d) Negative pledge over the entire assets of certain subsidiary companies;

(e) Investment properties of the subsidiary company;

(f) Fixed deposits of the subsidiary companies pledged with licensed bank;

(g) Third party legal charge over the subsidiary company's land/project land;

(h) Specific debenture over the project;

(i) Deed of assignment over the power supply rental agreement with the grantor;

(j) First party first and second legal charge over assets;

(k) Guaranteed by director of the Company;

(l) Deeds of assignment over 384 units of apartments under Blocks M, K and L known as Angkasa Apartment at Darau, Menggatal, Kota Kinabalu, Sabah ("UMS Hostel");

(m) Legal Charge over the Company's property;

(n) Third Party Memorandum of Deposit of Stocks and Shares.

The range of interest rates per annum is as follows:

	Group		Company	
	2023	2022	2023	2022
	%	%	%	%
Other bank borrowings	6.07% - 10.75%	3.6% - 9.42%	6.80% - 8.85%	6.5% - 9.5%
Term loans	4.37% - 11.0%	3.45% - 12%	7.45% - 9.95%	9.2% - 10%

Notes to the Financial Statements
30 June 2023 (cont'd)

27. Other Payables

	Group		Company	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Other payables	63,901	84,783	11,826	10,540
Advances received	7,402	7,201	-	-
Deposits received	18,515	18,038	47	47
Provision	36,483	13,755	-	-
Accruals	36,493	37,556	2,185	2,944
	162,794	161,333	14,058	13,531

(a) Included in advances received of the Group is the advances received for contract work yet to be performed is an amount of RM6,791,348 (2022: RM6,350,846).

(b) Included in other payables of the Group and of the Company is the amount due to director amounting to RM3,569,803 and RM3,445,492 (2022: RM3,824,548 and RM2,397,552) respectively. Amount due to director represents non trade balances which are unsecured, interest free and repayable on demand.

(c) Provisions

The movements of the provisions are as follows:

	Group	
	2023	2022
	RM'000	RM'000
At 1 July	13,755	11,176
Additions	22,728	2,579
At 30 June	36,483	13,755

28. Amount Due to a Joint Venture

This represents non-trade balances which is unsecured, interest free and repayable on demand.

Notes to the Financial Statements
30 June 2023 (cont'd)

29. Revenue

	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Revenue from contracts with customers:				
Major goods and services:				
- Contract revenue	1,604	40,435	-	653
- Sale of goods	21,264	33,737	-	-
- Sale of electricity	11,546	14,066	-	-
- Management fees	495	492	495	492
- Rental income	17,574	15,872	66	341
- Dividend income	37	-	37	24,315
- Sale of development properties	11,434	111,898	-	-
- Revenue from hotel	30,882	18,394	-	-
- Rendering of services	7	25	-	-
	94,843	234,919	598	25,801
Timing of revenue recognition:				
At a point in time	39,333	82,586	561	25,148
Overtime	55,510	152,333	37	653
Total revenue from contracts with customers	94,843	234,919	598	25,801

30. Finance Costs

	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Interest expenses on:				
Lease liabilities	12	31	-	-
Unwinding of discount on trade payables	387	855	-	-
Bank borrowings	30,497	23,800	5,529	5,947
Others	1,795	1,830	1,539	679
	32,691	26,516	7,068	6,626

Notes to the Financial Statements
30 June 2023 (cont'd)

31. (Loss)/Profit Before Tax

(Loss)/Profit before tax is determined after charging/(crediting) amongst other, the following items:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Auditors' remuneration				
- Statutory				
- current year	469	587	200	200
- under/(over)provision in prior years	57	(36)	20	(55)
- Non-statutory				
- current year	45	45	45	45
Bad debts written off	200	36	110	-
Bad debts recovered	(2,448)	-	-	-
Deposit written off	-	1,341	-	-
Depreciation of property, plant and equipment	7,487	7,678	224	245
Depreciation of right-of-use assets	2,586	2,506	465	465
(Gain)/Loss on disposal of:				
- Property, plant and equipment	(485)	(315)	782	-
- Right-of-use assets	-	(830)	-	-
- Asset held for sale	-	(64)	-	-
Impairment loss on:				
- Trade receivables	2,701	2,854	-	62
- Other receivables	4,211	13,373	1,166	2,221
- Amount due from associates	8,116	-	8,116	-
- Amount due from subsidiary companies	-	-	7,471	9,630
- Investment in associates	-	-	50	3,405
- Investment in subsidiary companies	-	-	45,385	-
- Other investment	329	-	-	-
- Property, plant and equipment	14,800	-	-	-
- Goodwill	1,176	7,235	-	-

Notes to the Financial Statements
30 June 2023 (cont'd)

31. (Loss)/Profit Before Tax (Cont'd)

(Loss)/Profit before tax is determined after charging/(crediting) amongst other, the following items: (Cont'd)

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Fair value gain on investment properties	-	(4,125)	-	-
Loss/(Gain) on foreign exchange:				
- Realised	(18)	-	-	-
- Unealised	(33)	669	(640)	-
Inventories written off	-	3	-	-
Property, plant and equipment written off	2	-	-	-
Trade and other payable written off	38	-	-	-
Rental expenses on:				
- Land and premises	152	68	-	-
- Machinery and equipment	441	465	-	-
- Others	27	-	-	-
Unwinding of discount on trade receivables	(352)	(135)	-	-
Dividend income	(4,875)	(75)	(38)	(24,315)
Interest income	(2,114)	(3,200)	(38)	-
Rental income	(1,103)	(666)	(66)	-
Government grant	-	(78)	-	-
Deposit forfeit	-	(43)	-	-
Reversal of impairment on:				
- Amount due from subsidiary companies	-	-	(5,105)	(24,304)
- Trade receivables	(417)	-	-	-
- Other receivables	(1,232)	-	-	-

Notes to the Financial Statements
30 June 2023 (cont'd)

32. Taxation

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Tax expenses recognised in profit or loss:				
Current income tax:				
Current year provision				
- In Malaysia	3,522	4,723	-	-
- Outside Malaysia	74	77	-	-
Under/(Over) provision in prior years	375	4,379	-	-
	3,971	9,179	-	-
Deferred tax (Note 15):				
Origination and reversal of temporary differences	(365)	425	-	-
Over provision in prior years	10	(1,048)	-	-
	(355)	(623)	-	-
Tax expenses for the financial year	3,616	8,556	-	-

Notes to the Financial Statements
30 June 2023 (cont'd)

32. Taxation (Cont'd)

Malaysian income tax is calculated at the statutory tax rate of 24% (2022: 24%) of the estimated assessable profits for the financial year. Taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdictions.

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

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
(Loss)/Profit before tax	(122,527)	(71,929)	(70,377)	20,395
At Malaysian statutory tax rate of 24% (2021: 24%)	(29,406)	(17,263)	(16,890)	4,895
Income not subject to tax	(2,172)	(3,080)	(163)	(5,836)
Expenses not deductible for tax purposes	14,009	15,151	13,466	1,085
Deferred tax assets not recognised	20,837	13,422	3,587	-
Utilisation of previously unrecognised deferred tax assets	(37)	(1,046)	-	(144)
Under/(Over) provision of taxation taxation in prior years	375	4,379	-	-
Over provision of deferred taxation in prior years	10	(1,048)	-	-
Effect of share of results of associates	-	(1,959)	-	-
Tax expenses for the financial year	3,616	8,556	-	-

Notes to the Financial Statements
30 June 2023 (cont'd)

32. Taxation (Cont'd)

The Group and the Company have the following estimated unutilised tax losses and unabsorbed capital allowances available to carry forward to offset against future taxable profit. The said amounts are subject to approval by the tax authorities.

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Unutilised tax losses	270,418	180,170	49,027	34,230
Unabsorbed capital allowances	3,554	3,537	396	270
	273,972	183,707	49,423	34,500

Under the Malaysia Finance Act 2018 which was gazetted on 27 December 2018, the unutilised tax losses of the Group and of the Company will be imposed with a time limit of utilisation. Any accumulated unutilised tax losses brought forward can be carried forward for a maximum period of 7 consecutive years of assessment. With effect from year of assessment 2023, unutilised tax losses that were allowed to be carried forward up to seven consecutive years was extended to a maximum of ten consecutive years of assessment under the current tax legislation. The unabsorbed capital allowances do not expire under current tax legislation.

Pursuant to Section 44(5F) of the Income Tax Act 1967, the unutilised tax losses can only be carried forward until the following years of assessment.

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Unutilised tax losses to be carried forward until:				
- Year of assessment 2029	38,698	39,812	8,846	8,846
- Year of assessment 2030	7,221	7,153	5,057	5,057
- Year of assessment 2031	17,906	16,904	-	-
- Year of assessment 2032	40,737	41,867	15,969	15,969
- Year of assessment 2033	75,316	74,434	4,358	4,358
- Year of assessment 2034	90,540	-	14,797	-
	270,418	180,170	49,027	34,230

Notes to the Financial Statements
30 June 2023 (cont'd)

33. Loss Per Share

(i) Basic loss per share

The basic loss per share is calculated based on the consolidated loss for the financial year attributable to owners of the parent and the weighted average number of ordinary shares in issue during the financial year as follows:

	Group 2023 RM'000	Group 2022 RM'000
Loss attributable to owners of the parent	(122,956)	(74,749)
Weighted average number of ordinary shares in issue		
Issued ordinary shares at 1 July (in thousand of shares)	1,597,647	143,110
Effect of ordinary shares issued during the financial year (in thousand of shares)	500,966	128,661
Weighted average number of ordinary shares at 30 June (in thousand of shares)	2,098,613	1,559,771
Basic loss per share (in sen)	(5.9)	(4.8)

(ii) Diluted loss per share

The number of shares under warrants and SIS were not taken into account in the computation of diluted loss per share as the warrants and SIS do not have any dilutive effect on weighted average number of ordinary shares.

There have been no other transaction involving ordinary shares or potential ordinary shares since the end of the financial year and before the authorisation of these financial statements.

	Group 2023 RM'000	Group 2022 RM'000
Loss attributable to owners of the parent	(122,956)	(74,749)
Weighted average number of ordinary shares used in the calculation of basic loss per share (in thousand of shares)	2,098,613	1,559,771
Adjustment for incremental shares from assumed conversions	-	-
Weighted average number of ordinary shares at 30 June (diluted) (in thousand of shares)	2,098,613	1,559,771
Diluted loss per share (in sen)	(5.9)	(4.8)

Notes to the Financial Statements 30 June 2023 (cont'd)

34. Staff Costs

	Group		Company	
	2023	**2022**	**2023**	**2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Salaries, wages, bonuses and allowances	11,067	12,693	1,812	2,767
Defined contribution plans	1,112	1,155	306	307
Social security contributions	98	105	27	24
	12,277	13,953	2,145	3,098

Included in staff costs is aggregate amount of remuneration received and receivables by the Directors of the Company and of the subsidiary companies during the financial year as below:

	Group		Company	
	2023	**2022**	**2023**	**2022**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Executive Directors				
Salaries and other emoluments	1,612	1,536	1,552	1,482
Defined contribution plans	97	99	97	99
	1,709	1,635	1,649	1,581
Non-Executive Directors				
Directors of the Company				
- Director's fees	239	252	239	252
Total Directors' remuneration	1,948	1,887	1,888	1,833

Notes to the Financial Statements
30 June 2023 (cont'd)

35. Reconciliation of Liabilities Arising from Financing Activities

The table below details changes in the liabilities of the Group and of the Company arising from financing activities, including both cash and non-cash changes:

			Non-cash changes		
	At 1 July RM'000	Financing cash flows (i) RM'000	New leases RM'000	Exchange difference RM'000	At 30 June RM'000
Group					
2023					
Lease liabilities	716	(228)	-	23	511
Bank borrowings	404,437	(48,789)	-	-	355,648
	405,153	(49,017)	-	23	356,159
2022					
Lease liabilities	1,089	(630)	240	17	716
Bank borrowings	413,706	(9,269)	-	-	404,437
	414,795	(9,899)	240	17	405,153

	At 1 July RM'000	Financing cash flows RM'000	At 30 June RM'000
Company			
2023			
Bank borrowings	62,550	(3,289)	59,261
Amount due to subsidiary companies	5,361	1,736	7,097
	67,911	(1,553)	66,358
Company			
2022			
Bank borrowings	53,150	9,400	62,550
Amount due to subsidiary companies	4,289	1,072	5,361
	57,439	10,472	67,911

(i) The cash flows from loan and borrowings, lease liabilities and amount due to subsidiary companies make up the net amount of proceeds from or repayments of borrowings, lease liabilities and advances from subsidiary companies in the statements of cash flows.

Notes to the Financial Statements
30 June 2023 (cont'd)

36. Related Party Disclosures

(a) Identifying related parties

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

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel comprise the Directors and management personnel of the Group, having authority and responsibility for planning, directing and controlling the activities of the Group entities directly or indirectly.

(b) Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. In addition to the related party balances as disclosed elsewhere in the financial statements, the significant related party transactions of the Group and of the Company during the reporting periods are as follows:

	Company	
	2023	**2022**
	RM'000	**RM'000**
Transactions with subsidiary companies		
- Rental income	42	284
- Dividend income	-	24,240
	42	24,524

Notes to the Financial Statements
30 June 2023 (cont'd)

37. Related Party Disclosures (Cont'd)

(c) Compensation of key management personnel

Remuneration of Directors is disclosed in Note 34. Aggregate amount of remuneration received and receivables by other key management personnel is as follows:

	Group		Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Salaries, wages and other emoluments	1,759	1,548	1,146	971
Defined contribution plans	116	100	72	58
	1,875	1,648	1,218	1,029

38. Segment Information

The main business segments of the Group comprise the following:

Construction	Construction of earthworks, building and road
Property development	Development of residential and commercial properties
Quarry	Quarry operation and production of ready-mix concrete
Power supply	Generation and supply of electricity

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

Transactions between segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation. The measurement basis and classification are consistent with those adopted in the previous financial year.

Information about segment assets and liabilities are neither included in the internal management reports nor provided regularly to the management. Hence, no disclosures are made on segment assets and liabilities.

Notes to the Financial Statements
30 June 2023 (cont'd)

38. Segment Information (Cont'd)

	Construction RM'000	Property development RM'000	Quarry RM'000	Power supply RM'000	Others RM'000	Total segments RM'000	Adjustments and elimination RM'000	As per consolidated financial statements RM'000
Group								
2023								
Revenue								
External customers	975	61,117	21,264	11,546	7	94,909	(66)	94,843
Results								
Interest income	39	2,068	-	-	7	2,114	-	2,114
Finance costs	(24,335)	(7,117)	(69)	(1,203)	-	(32,724)	33	(32,691)
Depreciation and amortisation	(1,362)	(3,271)	(161)	(5,192)	(1)	(9,987)	20	(9,967)
Other non-cash income/(expenses)	(10,622)	(1,796)	1,648	(784)	879	(10,675)	(15,956)	(26,631)
Share of results of joint venture	-	-	-	-	-	-	1,294	1,294
Share of results of associates	-	-	-	-	-	-	(232)	(232)
Segement results	(63,201)	14,592	(3,173)	7,498	(9,433)	(53,717)	(2,697)	(56,414)
Segment (loss)/profit before tax	(99,481)	4,476	(1,755)	319	(8,548)	(104,989)	(17,538)	(122,527)
Taxation								(3,616)
Loss for financial year								(126,143)

Notes to the Financial Statements
30 June 2023 (cont'd)

38. Segment Information (Cont'd)

	Construction RM'000	Property development RM'000	Quarry RM'000	Power supply RM'000	Others RM'000	Total segments RM'000	Adjustments and elimination RM'000	As per consolidated financial statements RM'000
Group								
2022								
Revenue								
External customers	40,927	136,511	18,766	14,065	24,650	234,919	-	-
Results								
Interest income	56	3,134	-	-	10	3,200	-	3,200
Finance costs	(18,730)	(6,525)	(234)	(563)	(744)	(26,796)	280	(26,516)
Depreciation and amortisation	(1,553)	(512)	(176)	(5,311)	(2,798)	(10,350)	166	(10,184)
Other non-cash income/(expenses)	6,199	(236)	(13,946)	(1,336)	(2,138)	(11,457)	(8,585)	(20,042)
Share of results of joint venture	-	-	-	-	-	-	7,347	7,347
Share of results of associates	-	-	-	-	-	-	(2,423)	(2,423)
Segement results	(19,305)	5,319	(3,692)	6,366	3,930	(7,382)	(15,929)	(23,311)
Segment (loss)/profit before tax	(33,333)	1,180	(18,048)	(844)	(1,740)	(52,785)	(19,144)	(71,929)
Taxation								(8,556)
Loss for financial year								(80,485)

Notes to the Financial Statements
30 June 2023 (cont'd)

38. Segment Information (Cont'd)

(a) Adjustments and eliminations

Inter-segment revenues are eliminated on consolidation.

(b) Other non-cash income/(expenses) consist of following as presented in the respective notes to the financial statements:

	Group 2023 RM'000	Group 2022 RM'000
Gain on disposal of:		
- property, plant and equipment	(485)	(315)
- right-of-use assets	-	(830)
- assets held for sale	-	(64)
Impairment loss on:		
- Goodwill	1,176	7,235
- Trade receivables	2,701	2,854
- Other receivables	4,211	13,373
- Amount due from associates	8,116	-
- Other investment	329	-
- Property, plant and equipment	14,800	-
Fair value gain on investment properties	-	(4,125)
Bad debts written off	200	36
Bad debts recovered	(2,448)	-
Deposit written off	-	1,341
Inventories written off	-	3
Property, plant and equipment written off	2	-
Trade and other payable written off	38	-
Unwinding of discount on trade receivables	(352)	(135)
Reversal of impairment on:		
- Trade receivables	(417)	-
- Other receivables	(1,232)	-
Loss/(Gain) on foreign exchange:		
- Realised	(18)	-
- Unealised	(33)	669
	26,588	20,042

Notes to the Financial Statements
30 June 2023 (cont'd)

38. Segment Information (Cont'd)

(c) Geographical information

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

	Malaysia RM'000	Other Asian Countries RM'000	Consolidated RM'000
2023			
Revenue from external customers	78,750	16,093	94,843
Non-current assets (exclude deferred tax assets)	320,570	51,742	372,312
Segment assets	950,966	74,866	1,025,832
Segment liabilities	786,000	31,323	817,323
2022			
Revenue from external customers	220,853	14,066	234,919
Non-current assets (exclude deferred tax assets)	298,934	70,652	369,586
Segment assets	1,064,293	87,734	1,152,027
Segment liabilities	793,535	83,795	877,330

39. Capital Commitment

	Group and Company 2023 RM'000	2022 RM'000
Capital expenditures		
Approved but not contracted for:		
Property, plant and equipment	-	15,300

Notes to the Financial Statements
30 June 2023 (cont'd)

40. Contingent Liabilities

	Company	
	2023	**2022**
	RM'000	**RM'000**
Corporate guarantees given to the licensed banks and financial institutions for banking facilities granted to subsidiary companies	338,152	357,629
Corporate guarantees given to a supplier of goods to subsidiary companies	1,275	1,275
Guarantees given to secure hire purchase payables of subsidiary companies	-	-

41. Material Litigations

The Group and the Company have not engaged in any litigation which will have a material effect on the business or financial position of the Group and of the Company except for the following:

(i) **Bina Puri Pakistan (Private) Limited ("BPPPL") v National Highway Authority of Pakistan ("NHA")**

BPPPL had filed an application under Section 20 of the Arbitration Act 1940 of Pakistan before the High Court of Sindh on 28 September 2012 for reference of a dispute to arbitration for the alleged unlawful termination by NHA of the concession agreement dated 16 January 2012 entered into between BPPPL and NHA ("Concession Agreement"). The application was granted on 23 April 2013.

BPPPL commenced the arbitral proceedings on 21 October 2013 claiming for a sum of PKR26,760,300,964 (approximately RM720 million) for loss and damage including loss of profit, interest, cost and expenses. NHA contended on 9 December 2013 that the termination is lawful. On 27 March 2019, Mr Justice (R) Nasir-ul-Mulk allowed BPPPL's claims against NHA as follows:

a declaration that the termination notice issued by NHA was unlawful repudiation and therefore anticipatory breach of the Concession Agreement; and

BPPPL shall be entitled for the actual pre-development cost and actual development costs to be determined by a joint auditor in accordance with the award.

Notes to the Financial Statements
30 June 2023 (cont'd)

41. Material Litigations (Cont'd)

(i) Bina Puri Pakistan (Private) Limited ("BPPPL") v National Highway Authority of Pakistan ("NHA") (Cont'd)

(a) and (b) above are collectively referred to as the "Arbitration Award".

On 6 April 2019, the Adjudication Award was filed in High Court of Sindh at Karachi to be enforced and made a rule of court. On 25 November 2019, the Court recognised the enforcement of the Arbitration Award and appointed the Auditor to evaluate the damages. On 7 September 2020, the Auditor has directed that the termination payment payable by NHA to BPPPL is PKR873,561,224 with interest of PKR224,681 per day from 21 July 2020 until full settlement.

On 29 October 2020, BPPPL has filed in the enforcement/recovery of award application to the court.

On 7 October 2023, the judge has instructed directing the officials from NHA to appear in Court for the purpose of providing the details of the bank account. The hearing date for the NHA's officials to appear is yet to be given.

(Based on BNM's exchange rate of PKR1:RM0.0269)

(ii) Bina Puri Mining Sdn. Bhd. ("BPM") v Bukit Biru Quarry Sdn. Bhd. ("BB Quarry")

BPM had filed a suit against BB Quarry on 11 May 2015, claiming for the sum of RM8,714,780 for the breach of the quarry operation agreement dated 1 January 2013 entered into between the parties ("Quarry Operation Agreement"), which includes a claim for misrepresentation. BB Quarry counter-claimed against BPM for a sum of RM1,412,024 being the alleged contract fees, insurance premium and reimbursement of commission fees payable by BPM pursuant to the Quarry Operation Agreement.

BB Quarry has obtained the judgment for the RM1,412,024 claim and has enforced via a judgment debtors summons against the director of BPM. The hearing is fixed on 13th September 2023.

Notes to the Financial Statements
30 June 2023 (cont'd)

41. Material Litigations (Cont'd)

(ii) Bina Puri Mining Sdn. Bhd. ("BPM") v Bukit Biru Quarry Sdn. Bhd. ("BB Quarry") (Cont'd)

The Miri High Court has directed to split the trials into two tiers, firstly, liability of the parties and thereafter the computation of the quantum. The trial has been concluded on 16 May 2018. Currently it is the trial for assessment of damages. The trial dates for assessment of damages has been adjourned until 6 December 2023.

(iii) Ideal Heights Development Sdn. Bhd. ("IHD") v Jurujati Konsultant Sdn. Bhd. ("Jurujati")

Writ and statement of claim was filed by IHD against Jurujati on 30 December 2020 for seeking of refund for fees overpaid to Jurujati amounting to RM565,520 as well as general damages, interest, and costs.

In Jurujati defend, there has been no overpayment and alleges that IHD owes a sum of RM380,439 for outstanding fees to Jurujati instead.

Currently, both parties are in the midst of complying with the court's directions on pre-trail documents. No trial dates have been fixed.

On 15 January 2021, IHD filed a writ and a statement of claim at the Shah Alam High Court against Jurujati for loss and damage suffered by IHD as a result of Jurujati's breach of contract and/or negligence concerning a construction project in Kuantan.

The issues in disputes concern the change in design and/or structural drawings, collapse of boardwalk, clogging of the gross pollutant trap. IHD is claiming for additional costs for the structural of the project in the sum of RM4,293,073 as well as general damages, interest, and costs. The trial dates fixed are and the new dates are 19, 20,26,27,30 and 31 October 2023.

(iv) RHB Bank Berhad ("RHB") v Bina Puri Holding Bhd ("BPHB") (SHAH ALAM HIGH COURT SUIT NO. BA-22NCC-37-03/2020)

A suit was filed by RHB against BPHB for demand under guarantee and indemnity for bank guarantees provided by it in favour of National Housing Authority of Thailand ("NHA") in respect of a joint venture agreement dated 9 March 2006 between NHA, Bina Puri (Thailand) Ltd ("BPTL") and Deva Development Public Co. Ltd.

There was a Thai Court judgment dated 16 August 2019 against BPTL and RHB, which is currently appealed upon and pending a hearing date. However, RHB has called on the revolving bank guarantees with EXIM Bank and unilaterally on 13 November 2019, paid a sum of THB323,042,419 into the Thai Court.

Notes to the Financial Statements
30 June 2023 (cont'd)

41. Material Litigations (Cont'd)

(iv) **RHB Bank Berhad ("RHB") v Bina Puri Holding Bhd ("BPHB") (SHAH ALAM HIGH COURT SUIT NO. BA-22NCC-37-03/2020) (Cont'd)**

Taking into account of the aforesaid payments, RHB now claims against BPHB for the balance, i.e., interest and other expenses in total of THB93,535,468 (RM12,486,330) together with interest of 5% per annum from date of judgement until the date of full settlement and costs. RHB subsequently filed an application for a summary judgment on the THB93,535,468 (RM12,486,330) against BPHB.

However, it was dismissed by the High Court. RHB then appealed against the High Court' decision in dismissing the summary judgment application to the Court of Appeal which has been dismissed.

On 30th August 2023, both Parties have come into consensus and have filed for a consent judgment before the Court.

(v) **Lakehill Resort Development Sdn. Bhd. (LRDSB) v (1) Bina Puri Properties Sdn. Bhd. ("BPPSB") and (2) Bina Puri Holdings Bhd ("BPHB")**

Lakehill filed summons on 28 September 2021 for a sum of RM18,356,047 for the outstanding land cost and the owner's entitlement at the Shah Alam High Court vide Suit no. BA-22NCVC-381-09/2021.

The Court instructed LRDSB to file any interlocutory applications by 25 February 2022.

The hearing for summary judgement and striking out counter-claim application is on 6 January 2023 has been dismissed. The trial dates are yet to be fixed. The Court has instructed Parties to attend a mediation before the judge. The next mediation date is fixed on 7 September 2023 (to be attended only by parties' counsels to update judge-mediator on any settlement achieved) and on 14 September 2023 (in the event no settlement is achieved, parties' representative are to attend before the judge-mediator). The Court further set the next case management on 18 September 2023 to inform the Court in the event the matter has settled.

On 21 September 2023, both Parties have submitted to the Court that they have enter into settlement. Court has ordered the case to be withdrawn.

Notes to the Financial Statements 30 June 2023 (cont'd)

42. Financial Instruments

(a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in Note 3 describe how the classes of financial instruments are measured, and how income and expense, including fair value gains and losses, are recognised.

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Financial Assets				
At fair value through profit or loss				
Other investment	2,781	2,781	2,832	2,832
Financial Assets				
At amortised cost				
Trade receivables	123,750	134,320	-	1,574
Other receivables	172,255	208,260	59,625	61,430
Contract assets	118,343	169,856	-	-
Amount due by subsidiary companies	-	-	154,442	117,210
Amount due by associates	27,477	30,459	23,710	28,396
Fixed deposits with licensed banks	6,355	14,026	114	367
Cash and bank balances	19,014	23,300	1,466	724
	467,194	580,221	239,357	209,701

Notes to the Financial Statements
30 June 2023 (cont'd)

42. Financial Instruments (Cont'd)

(a) Classification of financial Instruments (Cont'd)

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis: (Cont'd)

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Financial Liabilities				
At amortised cost				
Trade payables	224,270	230,987	7,621	13,102
Other payables	162,794	161,333	14,058	13,531
Contract liabilities	7,774	10,989	-	-
Amount due to subsidiary companies	-	-	7,097	5,361
Amount due to associates	6	6	6	6
Amount due to a joint venture	34	34	34	34
Lease liabilities	511	716	-	-
Bank borrowings	374,997	424,292	62,995	67,143
	770,386	828,357	91,811	99,177

Notes to the Financial Statements
30 June 2023 (cont'd)

42. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies

The Group's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's operations whilst managing its credit, liquidity, foreign currency and interest rate risks. The Group operates within clearly defined guidelines that are approved by the Board and the Group's policy is not to engage in speculative transactions.

The following sections provide details regarding the Group's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

(i) Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from the individual characteristics of each customer and deposits with banks and financial institutions. The Company's exposure to credit risk arises principally from loans and advances to subsidiary companies and financial guarantees given to banks for credit facilities granted to subsidiary companies.

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally credit evaluations are performed on customers requiring credit over a certain amount.

At each reporting date, the Group or the Company assesses whether any of the receivables and contract assets are credit impaired.

The gross carrying amounts of credit impaired receivables and contract assets are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group or the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, receivables and contract assets that are written off could still be subject to enforcement activities.

Exposure to credit risk, credit quality and collateral

The carrying amounts of the financial assets recorded on the statements of financial position at the end of the financial year represents the Group's and the Company's maximum exposure to credit risk.

Notes to the Financial Statements
30 June 2023 (cont'd)

42. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(i) Credit risk (Cont'd)

Concentration of credit risk

The Group determines concentrations of credit risk by monitoring the country profile of its trade receivables on an ongoing basis. The credit risk concentration profiles of the Group's trade receivables at the end of financial year are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Countries				
Brunei Darussalam	2,261	3,735	-	-
Indonesia	1,764	2,978	-	-
Malaysia	118,137	129,755	-	1,574
Others	1,588	-	-	-
	123,750	136,468	-	1,574

Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

Notes to the Financial Statements
30 June 2023 (cont'd)

42. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(i) Credit risk (Cont'd)

Cash and cash equivalents (Cont'd)

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company also provides corporate guarantee to suppliers of goods to subsidiary companies. The Company monitors on a continuous basis the results of the subsidiary companies and repayments made by the subsidiary companies.

Exposure to credit risk, credit quality and collateral

The Company's maximum exposure in this respect is RM338 million (2022: RM358 million), representing the outstanding banking facilities and for supply of goods to certain subsidiary companies as at the end of the reporting period. There was no indication that the subsidiary company would default on repayment as at the end of the reporting period.

Financial guarantees

Recognition and measurement of impairment loss

The Company assumes that there is a significant increase in credit risk when a subsidiary company's financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when:

- The subsidiary company is unlikely to repay its credit obligation to the bank in full; or
- The subsidiary company is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default of the guaranteed loans individually using internal information available.

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured loans and advances to subsidiary companies. The Company monitors the ability of the subsidiaries to repay the loans and advances on an individual basis.

Notes to the Financial Statements
30 June 2023 (cont'd)

42. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(i) Credit risk (Cont'd)

Financial guarantees (Cont'd)

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. Loans and advances provided are not secured by any collateral or supported by any other credit enhancements.

Inter-company loans and advances

Recognition and measurement of impairment loss

Generally, the Company considers loans and advances to subsidiary companies have low credit risk. The Company assumes that there is a significant increase in credit risk when a subsidiary company's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiary companies' loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiary companies are not able to pay when demanded. The Company considers a subsidiary company's loan or advance to be credit impaired when:

- The subsidiary company is unlikely to repay its loan or advance to the Company in full;
- The subsidiary company's loan or advance is overdue for more than 365 days; or
- The subsidiary company is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default for these loans and advances individually using internal information available.

Notes to the Financial Statements
30 June 2023 (cont'd)

42. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk

Liquidity risk refers to the risk that the Group or the Company will encounter difficulty in meeting its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises primarily from their various payables.

The Group's and the Company's funding requirements and liquidity risk are managed with the objective of meeting business obligations on a timely basis. The Group finances its liquidity through internally generated cash flows and minimises liquidity risk by keeping committed credit lines available.

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay.

	On demand or within 1 year RM'000	1 to 2 years RM'000	2 to 5 years RM'000	After 5 years RM'000	Total contractual cash flows RM'000	Total carrying amount RM'000
Group						
2023						
Financial liabilities						
Trade payables	222,498	1,772	-	-	224,270	224,270
Other payables	162,794	-	-	-	162,794	162,794
Contract liabilities	7,774	-	-	-	7,774	7,774
Amount due to associates	6	-	-	-	6	6
Amount due to a joint venture	34	-	-	-	34	34
Lease liabilities	247	246	35	-	528	511
Bank borrowings	119,361	100,477	135,991	52,240	408,069	374,997
	512,714	102,495	136,026	52,240	803,475	770,386

Notes to the Financial Statements 30 June 2023 (cont'd)

42. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. (Cont'd)

	On demand or within 1 year RM'000	1 to 2 years RM'000	2 to 5 years RM'000	After 5 years RM'000	Total contractual cash flows RM'000	Total carrying amount RM'000
Group						
2022						
Financial liabilities						
Trade payables	229,220	1,767	-	-	230,987	230,987
Other payables	161,333	-	-	-	161,333	161,333
Contract liabilities	10,989	-	-	-	10,989	10,989
Amount due to associates	6	-	-	-	6	6
Amount due to a joint venture	34	-			34	34
Lease liabilities	285	359	95	-	739	716
Bank borrowings	217,191	86,062	88,967	92,959	485,179	424,292
	619,058	88,188	89,062	92,959	889,267	828,357

Notes to the Financial Statements 30 June 2023 (cont'd)

42. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. (Cont'd)

	On demand or within 1 year RM'000	1 to 2 years RM'000	2 to 5 years RM'000	After 5 years RM'000	Total contractual cash flows RM'000	Total carrying amount RM'000
Company						
2023						
Financial liabilities						
Trade payables	7,621	-	-	-	7,621	7,621
Other payables	14,058	-	-	-	14,058	14,058
Amount due to subsidiary companies	7,097	-	-	-	7,097	7,097
Amount due to associates	6	-	-	-	6	6
Amount due to a joint venture	34	-	-	-	34	34
Bank borrowings	14,595	21,202	32,347	-	68,144	62,995
Financial guarantee *	338,152	-	-	-	338,152	-
	381,563	21,202	32,347	-	435,112	91,811

Notes to the Financial Statements 30 June 2023 (cont'd)

42. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. (Cont'd)

	On demand or within 1 year RM'000	1 to 2 years RM'000	2 to 5 years RM'000	After 5 years RM'000	Total contractual cash flows RM'000	Total carrying amount RM'000
Company						
2022						
Financial liabilities						
Trade payables	13,102	-	-	-	13,102	13,102
Other payables	13,531	-	-	-	13,531	13,531
Amount due to subsidiary companies	5,361	-	-	-	5,361	5,361
Amount due to associates	6	-	-	-	6	6
Amount due to a joint venture	34	-	-	-	34	34
Bank borrowings	16,217	19,688	19,972	24,875	80,752	67,143
Financial guarantee *	358,904	-	-	-	358,904	-
	407,155	19,688	19,972	24,875	471,690	99,177

* Being corporate guarantee granted for banking facilities and supply of goods to certain subsidiary companies which will only be encashed in the event of default by these companies.

42. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risk

(a) Foreign currency risk

The Group is exposed to foreign currency risk on transactions that are denominated in currencies other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily Brunei Dollar ("BND"), Indonesian Rupiah ("IDR"), Pakistan Rupee ("PKR"), United States Dollar ("USD") and other currency.

	Denominated in					
Group 2023	**BND RM'000**	**IDR RM'000**	**PKR RM'000**	**USD RM'000**	**Others RM'000**	**Total RM'000**
Trade and other receivables	2,972	1,888	-	-	-	4,860
Fixed deposits with licensed banks	-	266	-	-	-	266
Cash and bank balances	113	1,646	-	-	-	1,759
Trade and other payables	(22,221)	(508)	(175)	(78)	(10)	(22,992)
Lease liabilities	(48)	(310)	-	-	-	(358)
Bank borrowings	(6,640)	(968)	-	-	-	(7,608)
	(25,824)	2,014	(175)	(78)	(10)	(24,073)

42. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(a) Foreign currency risk (Cont'd)

The Group is exposed to foreign currency risk on transactions that are denominated in currencies other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily Brunei Dollar ("BND"), Indonesian Rupiah ("IDR"), Pakistan Rupee ("PKR"), United States Dollar ("USD") and other currency. (Cont'd)

	Denominated in					
Group 2022	**BND RM'000**	**IDR RM'000**	**PKR RM'000**	**USD RM'000**	**Others RM'000**	**Total RM'000**
Trade and other receivables	4,400	3,091	-	-	-	7,491
Fixed deposits with licensed banks	7,209	468	-	-	-	7,677
Cash and bank balances	443	1,458	5	3,110	-	5,016
Trade and other payables	(19,061)	(854)	(174)	(74)	(10)	(20,173)
Lease liabilities	-	(422)	-	-	-	(422)
Bank borrowings	(7,334)	(1,227)	-	-	-	(8,561)
	(14,343)	2,514	(169)	3,036	(10)	(8,972)

Notes to the Financial Statements
30 June 2023 (cont'd)

42. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(a) Foreign currency risk (Cont'd)

Foreign currency sensitivity analysis

Foreign currency risk arises from Group entities which have a RM functional currency. The exposure to currency risk of Group entities which do not have a RM functional currency is not material and hence, sensitivity analysis is not presented.

The following table demonstrates the sensitivity of the Group's loss before tax to a reasonably possible change in the BND, IDR, PKR and USD exchange rates against RM, with all other variables held constant.

	2023		2022	
Group	**Change in currency rate RM'000**	**Effect on loss before tax RM'000**	**Change in currency rate RM'000**	**Effect on loss before tax RM'000**
BND	Strengthened 5%	(1,291)	Strengthened 5%	(717)
	Weakened 5%	1,291	Weakened 5%	717
IDR	Strengthened 5%	101	Strengthened 5%	126
	Weakened 5%	(101)	Weakened 5%	(126)
PKR	Strengthened 5%	(9)	Strengthened 5%	(8)
	Weakened 5%	9	Weakened 5%	8
USD	Strengthened 5%	(4)	Strengthened 5%	152
	Weakened 5%	4	Weakened 5%	(152)
Others	Strengthened 5%	(1)	Strengthened 5%	(1)
	Weakened 5%	1	Weakened 5%	1

(b) Interest rate risk

The Group's and the Company's fixed rate deposits placed with licensed banks and borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's and the Company's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

The Group manages the interest rate risk of its deposits with licensed financial institutions by placing them at the most competitive interest rates obtainable, which yield better returns than cash at bank and maintaining a prudent mix of short and long-term deposits.

Notes to the Financial Statements
30 June 2023 (cont'd)

42. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(b) Interest rate risk (Cont'd)

The Group manages its interest rate risk exposure from interest bearing borrowings by obtaining financing with the most favourable interest rates in the market. The Group constantly monitors its interest rate risk by reviewing its debts portfolio to ensure favourable rates are obtained. The Group does not utilise interest swap contracts or other derivative instruments for trading or speculative purposes.

The interest rate profile of the Group's and of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group	
	2023	**2022**
	RM'000	**RM'000**
Fixed rate instruments		
Financial asset		
Fixed deposits with licensed banks	6,355	14,026
Financial liabilities		
Lease liabilities	511	716
Floating rate instruments		
Financial liabilities		
Bank borrowings	374,997	424,292

	Company	
	2023	**2022**
	RM'000	**RM'000**
Fixed rate instruments		
Financial asset		
Fixed deposits with licensed banks	114	367
Floating rate instruments		
Financial liabilities		
Bank borrowings	62,995	67,143

Notes to the Financial Statements
30 June 2023 (cont'd)

42. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(b) Interest rate risk (Cont'd)

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Cash flow sensitivity analysis for floating rate instruments

A change in 0.5% (2022: 0.5%) interest rate at the end of the reporting period would have increased/(decreased) the Group and the Company's loss before tax by RM1,875,000 and RM315,000 (2022: RM2,121,000 and RM336,000) respectively, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. This analysis assumes that all other variables remain constant. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(c) Other price risk

Equity price risk arises from the Group's investments in equity securities.

Risk management objectives, policies and processes for managing the risk

Management of the Group monitors the equity investments on a portfolio basis. All buy and sell decisions are approved by the Directors of the Company.

Equity price risk sensitivity analysis

This analysis assumes that all other variables remain constant and the Group's equity investments moved in correlation with the FTSE Bursa Malaysia KLCI ("FBMKLCI").

A 5% strengthening in FBMKLCI at the end of the reporting period would have increased the Group's other comprehensive income by approximately Nil (2022: Nil) for investments classified as fair value through other comprehensive income. A 5% weakening in FBMKLCI would have had equal but opposite effect on other comprehensive income.

Notes to the Financial Statements
30 June 2023 (cont'd)

42. Financial Instruments (Cont'd)

(d) Fair values of financial instruments

The carrying amounts of short term receivables and payables, cash and cash equivalents and borrowings approximate their fair value due to the relatively short term nature of these financial instruments and insignificant impact of discounting.

It was not practicable to estimate the fair value of investment in unquoted equity due to the lack of comparable quoted prices in an active market and the fair value cannot be reliably measured.

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position.

	Fair value of financial instruments carried at fair value				
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Carrying amount RM'000
Group					
2023					
Financial assets					
Other investments					
- Unquoted shares	-	-	2,725	2,725	2,725
- Transferable corporate golf membership	-	-	56	56	56
	-	-	2,781	2,781	2,781
2022					
Financial assets					
Other investments					
- Unquoted shares	-	-	2,725	2,725	2,725
- Transferable corporate golf membership	-	-	56	56	56
	-	-	2,781	2,781	2,781

Notes to the Financial Statements
30 June 2023 (cont'd)

42. Financial Instruments (Cont'd)

(d) Fair values of financial instruments (Cont'd)

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position. (Cont'd)

	Fair value of financial instruments carried at fair value				
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Carrying amount RM'000
Company					
2023					
Financial assets					
Other investments					
- Unquoted shares	-	-	2,832	2,832	2,832
2022					
Financial assets					
Other investments					
- Unquoted shares	-	-	2,832	2,832	2,832

43. Capital Management

The Group's and the Company's objectives when managing capital are to safeguard the Group's and the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Notes to the Financial Statements
30 June 2023 (cont'd)

43. Capital Management (Cont'd)

The Group and the Company monitor capital using a gearing ratio. The Group's and the Company's policy is to maintain a prudent level of gearing ratio that complies with debt covenants and regulatory requirements. The gearing ratios at end of the reporting period are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Total loan and borrowings	375,508	425,008	62,995	67,143
Less: Fixed deposits, cash and bank balances (Note 20) ^	(25,369)	(35,629)	(1,580)	(1,091)
Net debts/(cash)	350,139	389,379	61,415	66,052
Total equity	208,509	274,697	286,804	295,867
Gearing ratio (times)	1.68	1.42	0.21	0.22

^ Fixed deposits, cash and bank balances excluded cash and cash equivalents restricted from use.

There were no changes in the Group's and the Company's approach to capital management during the financial year.

Notes to the Financial Statements
30 June 2023 (cont'd)

44. Comparative figures

The following comparative figures have been reclassified to conform with the current year's presentation.

	Group		
	As previously stated RM'000	**As restated RM'000**	**Increase/ (decrease) RM'000**
Statements of Financial Position			
2022			
Non-current assets			
Other receivables	-	31,409	31,409
Current assets			
Inventories	197,938	198,699	761
Other receivables	209,754	179,245	(30,509)
Contract assets	171,517	169,856	(1,661)
Current liabilities			
Accruals	51,311	37,556	(13,755)
Provisions	-	13,755	13,755

	Company		
	As previously stated RM'000	**As restated RM'000**	**Increase/ (decrease) RM'000**
Statements of Financial Position			
2022			
Non-current assets			
Investment in subsidiary companies	137,789	138,964	1,175
Other receivables	-	25,840	25,840
Current assets			
Other receivables	61,458	35,618	(25,840)
Amount due from subsidiary companies	118,385	117,210	(1,175)

45. Date of Authorisation for Issue

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of Directors on 31 October 2023.

Analysis of Shareholdings as at 29 September 2023

Issued Share Capital : 3,369,713,826 ordinary shares
Class of Shares : Ordinary shares
Voting rights : One vote per ordinary share

Substantial Shareholders
(as per Register of Substantial Shareholders)

Name of Substantial Shareholders	Direct Interest		%	Indirect Interest		%
Chai Chan Tong	801,204,633		23.78	-		-
Tan Sri Datuk Tee Hock Seng, JP	215,219,173	*	6.39	400,031,931	**	11.87
Datuk Matthew Tee Kai Woon	398,698,598		11.83	216,552,506	***	6.43
Maju Offshore Capital Sdn. Bhd.	169,656,188		5.04	-		-

Directors' Interest
(as per Register of Directors' Shareholdings)

Name of Directors	Direct Interest		%	Indirect Interest		%
Chai Chan Tong	801,204,633		23.78	-		-
Tan Sri Datuk Tee Hock Seng, JP	215,219,173	*	6.39	400,031,931	**	11.87
Dr. Tony Tan Cheng Kiat	96,308,710		2.86	-		-
Datuk Matthew Tee Kai Woon	398,698,598		11.83	216,552,506	***	6.43
Ooi Hee Kah	114,142,858		3.39	-		-

* *including shares held through nominee company.*
** *indirect interest – 1,333,333 shares held by Tee Hock Seng Holdings Sdn. Bhd. and 398,698,598 shares held by Tan Sri Datuk Tee Hock Seng, JP's son, Datuk Matthew Tee Kai Woon.*
*** *indirect interest – 1,333,333 shares held by Tee Hock Seng Holdings Sdn. Bhd. and 215,219,173 shares held by Datuk Matthew Tee Kai Woon's father, Tan Sri Datuk Tee Hock Seng, JP.*

Distribution of Shareholdings
(as per Record of Depositors)

Range of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Shares
Less than 100	84	1.09	1,601	0.00
100 - 1,000	880	11.45	557,895	0.02
1,001 - 10,000	2,267	29.50	13,783,554	0.41
10,001 - 100,000	3,165	41.19	136,175,795	4.04
100,001 to less than 5% of issued shares	1,285	16.72	1,849,635,562	54.89
5% and above of issued shares	3	0.04	1,369,559,419	40.64
Total	**7,684**	**100.00**	**3,369,713,826**	**100.00**

Thirty Largest Shareholders

No.	Name of Shareholders	No. of Shares	Percentage of shares held (%)
1	Ta Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Chai Chan Tong	801,204,633	23.776
2	Matthew Tee Kai Woon	398,698,598	11.831
3	Maju Offshore Sdn Bhd	169,656,188	5.034
4	Tee Hock Seng	164,076,580	4.869
5	Andy Lai Wee Young	119,368,286	3.542
6	Ta Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Ooi Hee Kah	114,142,858	3.387
7	Cgs-Cimb Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Bu Yaw Seng (MY3086)	100,982,600	2.996
8	Kylie Kho Khar Jyee	100,133,458	2.971
9	Tan Cheng Kiat	96,308,710	2.858
10	Ooi Chieng Sim	53,830,586	1.597
11	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Neoh Soo Keat	53,380,700	1.584
12	RHB Nominees (Tempatan) Sdn Bhd Bank of China (Malaysia) Berhad Pledged Securities Account For Tee Hock Seng	51,142,593	1.517
13	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB For Ng Keong Wee (PB)	46,978,666	1.394
14	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Neoh Soo Keat	36,000,000	1.068
15	Kittipat Songcharoen	33,333,333	0.989
16	Lee Kuan Chen	26,666,666	0.791
17	Wong Weng Tien	19,243,000	0.571
18	Chan Fong Yun	16,666,666	0.494
19	Kenanga Nominees (Tempatan) Sdn Bhd Rakuten Trade Sdn Bhd For Cheang Qing Hong	16,148,973	0.479
20	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Neoh Soo Keat (7009256)	15,000,000	0.445
21	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Koh Boon Poh (008)	14,960,000	0.443
22	Koh Pee Seng	13,941,900	0.413
23	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Chong Yiew On (6000006)	12,741,800	0.378
24	Neoh Soo Keat	12,385,600	0.367
25	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Ong Kok Thye	11,136,600	0.330
26	Jentera Jati Sdn Bhd	10,388,000	0.308
27	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Jentera Jati Sdn Bhd (KLC)	10,000,000	0.296
28	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Jindar Singh A/L Sham Singh	9,879,800	0.293
29	Chung Kin Chuan	9,500,000	0.281
30	Chai Lee Ping	9,127,627	0.270

Analysis of Warrantholdings as at 29 September 2023

Total Warrants Issued : 258,554,471
Warrant holders : 383

Directors' Interest
(as per Register of Directors' Warrantholdings)

Name of Directors	Direct Interest		%	Indirect Interest		%
Chai Chan Tong	75,582,146		29.23	-		-
Tan Sri Datuk Tee Hock Seng, JP	28,817,533	*	11.15	51,362,553	**	19.87
Datuk Matthew Tee Kai Woon	51,255,887		19.82	28,924,199	***	11.19
Ooi Hee Kah	11,428,571		4.42	-		-

* *including warrants held through nominee company.*

** *indirect interest – 106,666 warrants held by Tee Hock Seng Holdings Sdn. Bhd. and 51,255,887 warrants held by Tan Sri Datuk Tee Hock Seng, JP's son, Datuk Matthew Tee Kai Woon.*

*** *indirect interest – 106,666 warrants held by Tee Hock Seng Holdings Sdn. Bhd. and 28,817,533 warrants held by Datuk Matthew Tee Kai Woon's father, Tan Sri Datuk Tee Hock Seng, JP.*

Distribution of Warrantholdings
(as per Record of Depositors)

Range of Warrantholdings	No. of Warrantholders	* % of Warrantholders	No. of Warrants	** % of Issued *** Warrants
Less than 100	11	2.87	569	0.00
100 - 1,000	59	15.40	30,121	0.01
1,001 - 10,000	178	46.48	744,393	0.29
10,001 - 100,000	103	26.89	3,380,450	1.31
100,001 to less than 5% of issued warrants	26	6.79	32,736,114	12.66
5% and above of issued warrants	6	1.57	221,662,824	85.73
Total	**383**	**100.00**	**258,554,471**	**100.00**

Thirty Largest Warrantholders

No.	Name of Warrantholders	No. of Warrants	Percentage of warrants held (%)
1	Ta Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Chai Chan Tong	75,582,146	29.232
2	Matthew Tee Kai Woon	51,255,887	19.824
3	Maju Offshore Sdn Bhd	33,927,237	13.121
4	Tee Hock Seng	24,726,126	9.563
5	Andy Lai Wee Young	20,942,857	8.099
6	Kylie Kho Khar Jyee	15,228,571	5.889
7	Ta Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Ooi Hee Kah	11,428,571	4.420
8	RHB Nominees (Tempatan) Sdn Bhd Bank of China (Malaysia) Berhad Pledged Securities Account For Tee Hock Seng	4,091,407	1.582
9	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB For Ng Keong Wee (PB)	3,758,293	1.453
10	Kenanga Nominees (Tempatan) Sdn Bhd Rakuten Trade Sdn Bhd For Cheang Qing Hong	3,005,714	1.162
11	Kittipat Songcharoen	2,666,666	1.031
12	Lee Kuan Chen	2,133,333	0.825
13	Chan Fong Yun	1,333,333	0.515
14	Chen Shiang Yih	571,420	0.221
15	Sak Mee Yen	474,600	0.183
16	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Mettiz Capital Sdn. Bhd.	466,666	0.180
17	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Jindar Singh A/L Sham Singh	400,000	0.154
18	Phang Chee Hoong	323,000	0.124
19	Leow Ho Keng	297,700	0.115
20	Tan Hong Siang	193,500	0.074
21	Chong Yong Lin	184,013	0.071
22	Lee Bee Geok	180,000	0.069
23	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Gwee Chin Hoo	140,000	0.054
24	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Chan Kai Lum	133,333	0.051
25	Tan Eng Hai	133,333	0.051
26	Chua Chun Guan	130,900	0.050
27	Toh Soon Seng	128,200	0.049
28	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Wong Liang Tswen (001)	120,000	0.046
29	Ewe Hong Khoon	116,400	0.045
30	How Lee Chin	110,000	0.042

Recurrent Related Party Transactions

At the Annual General Meeting held on 5 December 2022, the Company obtained Shareholders' Mandate to allow the Group to enter into recurrent related party transactions of a revenue or trading nature.

In accordance with Section 3.1.5 of Practice Note No. 12 of the Bursa Malaysia Securities Berhad listing requirements, the details of recurrent related party transactions conducted during the financial period 1 July 2022 to 30 June 2023 pursuant to the Shareholders' Mandate are disclosed as follows:

Nature of transactions undertaken by the Company and its subsidiaries	Related Parties	Transacting Parties	Value of Transactions RM'000
Purchase of air tickets (to facilitate air travel in the course of business, eg. travel to project sites)	Sea Travel and Tours Sdn Bhd, a company in which a family member of Director Tan Sri Datuk Tee Hock Seng, JP hold 20% equity interest	(i) Bina Puri Holdings Bhd (ii) Bina Puri Sdn Bhd (iii) Bina Puri Properties Sdn Bhd	22 53 103
Sale of quarry products / contract works	Kumpulan Melaka Bhd, which holds 30% equity interest in the Company's subsidiary KM Quarry Sdn Bhd	KM Quarry Sdn Bhd	116
Contract works	Kumpulan Melaka Bhd, which holds 30% equity interest in the Company's subsidiary KM Quarry Sdn Bhd	KM Quarry Sdn Bhd	-
Contract works	Dimara Holdings Sdn Bhd in which Director (of the Company's subsidiary), Mr. Ang Kiam Chai holds approximately 61.66% equity interest.	(i) Bina Puri Holdings Bhd (ii) Bina Puri Sdn Bhd	- -

List of Properties
30 June 2023

Location	Description	Date of acquisition	Tenure	Year Expiry	Land / Built-up Area	Age building (years)	Existing use	Net book value 30 June 2023 RM'000
HS(M) 13570 PT No. 22184 Mukim of Batu District of Gombak Selangor Darul Ehsan	5 1/2 storey office building	1 Jul 1998	Leasehold	2089	17,920 sq ft/ 62,451 sq ft	25	Office	11,257
H.S.(D) 102462 PT No. 17604 32 Jalan Kajang Perdana 2/3 Taman Kajang Perdana Kajang, Selangor Darul Ehsan	3 storey shoplot	10 Jul 2014	Freehold	-	7,389 sq ft	18	Vacant	2,650
3 level shopping Mall Main Place Mall Lot 49113 Pekan Subang Jaya District of Petaling Selangor Darul Ehsan	Shopping Mall	20 Mar 2014	Freehold	-	645,834 sq ft	10	Renting	209,730
Mukim 701,Lot No.960 Mukim Semenyih Daerah Hulu Langat Selangor Darul Ehsan	Land	1 Dec 2016	Leasehold	2081	2.13 Hektar	-	Workshop cum Storage	6,386
HS (M) 12980 PT No. 21686 Mukim of Batu District of Gombak Selangor Darul Ehsan	2 units condominium	9 Feb 1995	Leasehold	2089	3,900 sq ft	29	Guest House	770
Parcel No B-5-3 Tower Banyan The Haven Lakeside Residences Held under master title PN 342582 Lot 398127, Mukim Hulu Kinta Daerah Kinta, Perak	1 unit condominium	14 Jan 2015	Leasehold	2108	1,455 sq ft	9	Renting	766
Plot A,B & C Daerah Alor Gajah Mukim Melaka Pindah Melaka	Granite deposit area	2 Mar 1998	Leasehold	2027	95 acres	-	Extracting of granite aggregates	272
Lot 925, 1867 Lot 843 Daerah Alor Gajah Mukim Melaka Pindah Melaka	Leasehold land	12 Aug 1997	Leasehold	2055 2024	3.7 acres 2.4 acres	-	Premix plant	128
Lot 709, 952, 954, 955, 956, 958, 1060 Daerah Alor Gajah Mukim Melaka Pindah Melaka	Freehold land	12 Aug 1997	Freehold	-	15.4 acres	-	Weigh bridge & Crusher plant	935
Casa Mila Club House PM 377, Lot 60291	Club House	1993	Leasehold	2094	35,952 sq.ft.	30	Club house facilities (JMB)	934
Casa Venicia Club House PM 378, Lot 60292	Club House	1996	Leasehold	2094	35,597 sq ft	-	Club house facilities (JMB)	1,641

List of Properties
30 June 2023 (cont'd)

Location	Description	Date of acquisition	Tenure	Year Expiry	Land / Built-up Area	Age building (years)	Existing use	Net book value 30 June 2023 RM'000
No. PM 32881 No.Lot 159852 Mukim of Kuala Kuantan Parcel No. CO-01 (Type CO Unit), Ground Floor	5 units Commercial Unit	21.06.2019	Leasehold	2112	1,161 sq ft	3		
Parcel No. CO-01 (Type CO Unit)							Hotel	349
Parcel No. CO-02 (Type CO Unit)							Hotel	219
Parcel No. CO-03 (Type CO Unit)							Hotel	1,390
Parcel No. CO-04 (Type CO Unit)							Hotel	1,155
Parcel No. CO-05 (Type CO Unit)							Hotel	2,899
Imperium Residence Kuantan Waterfront Resort City								
No. PM 32881 No.Lot 159852 Mukim of Kuala Kuantan	8 Units Service Apartment	21.06.2019	Leasehold	2112		3		
Parcel No. A-28-02 (Type G1 Unit),					2,995 sq ft		Corporate office	2,422
Parcel No. A-05-01 (Type D2 Unit)					743 sq ft		Hotel	440
Parcel No. A-05-02 (Type D1 Unit)					743 sq ft		Hotel	440
Parcel No. A-05-03 (Type D2 Unit)					743 sq ft		Hotel	440
Parcel No. A-05-03A (Type D1 Unit)					743 sq ft		Hotel	440
Parcel No. A-05-05 (Type D2 Unit)					743 sq ft		Hotel	440
Parcel No. A-05-06 (Type D1 Unit)					743 sq ft		Hotel	440
Parcel No. A-05-07 (Type D1 Unit)					743 sq ft		Hotel	440
Tower A, Imperium Residence Kuantan Waterfront Resort City								
No. PM 32881 No.Lot 159852 Mukim of Kuala Kuantan	4 unit Service Apartment	13.8.2021	Leasehold	2112	860 sq ft	2	Hotel	
Parcel No. A-06-01 (Type B1-2 Unit)								441
Parcel No. A-07-01 (Type B1-2 Unit)								441
Parcel No. A-07-08 (Type B1-1 Unit)								441
Parcel No. A-08-01 (Type B1-2 Unit)								441
Tower A, Imperium Residence Kuantan Waterfront Resort City								
Lot No. 32 Section 21 Title No. GRN 36239 Town of Alor Setar Kedah	1 unit Double storey terrace Pre-war shop	2023	Freehold	-	1069.03 sq ft	1	Vacant	210
Lot No. 39 Section 21 Title No. GRN 36239 Town of Alor Setar Kedah	1 unit Double storey terrace Pre-war shop	2023	Freehold	-	1069.03 sq ft	1	Vacant	210

Administrative Details

for the Thirty-Second Annual General Meeting ("32nd AGM") of Bina Puri Holdings Bhd

Date : **Tuesday, 12 December 2023**
Time : **11.00 a.m.**
Broadcast Venue : **Tricor Business Centre, Manuka 2 & 3 Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia**

Mode of Meeting

- The Company will continue to leverage on technology to facilitate communication and engagement with shareholders by conducting the Thirty-Second Annual General Meeting ("32nd AGM") on a **virtual basis through live streaming and online remote voting** via Remote Participation and Voting ("RPV") facilities which are available on Tricor Investor & Issuing House Services Sdn Bhd's ("Tricor") **TIIH Online** website at https://tiih.online.

- The venue of the 32nd AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the Meeting to be at the main venue of the meeting. No shareholders/proxy(ies) from the public will be physically present at the meeting venue.

- We **strongly encourage** you to attend the 32nd AGM via the RPV facilities. You may also consider appointing the Chairman of the Meeting as your proxy to attend and vote on your behalf at the 32nd AGM.

Remote Participation and Voting

- The RPV facilities are available on Tricor's **TIIH Online** website at https://tiih.online.

- Shareholders are to attend, speak (in the form of real time submission of typed texts) and vote (collectively, "participate") remotely at the 32nd AGM using RPV facilities from Tricor.

- Kindly refer to Procedures for RPV as set out below for the requirements and procedures.

Procedures to Remote Participation and Voting via RPV Facilities

- Please read and follow the procedures below to engage in remote participation through live streaming and online remote voting at the AGM using the RPV facilities:

<u>Before the AGM Day</u>

Procedure	Action
i. Register as a user with TIIH Online	• Using your computer, access to website at https://tiih.online. Register as a user under the "e-Services" select "Create Account by **Individual Holder**". Refer to the tutorial guide posted on the homepage for assistance. • Registration as a user will be approved within one (1) working day and you will be notified via e-mail. • If you are already a user with TIIH Online, you are not required to register again. You will receive an e-mail to notify you that the remote participation is available for registration at TIIH Online.
ii. Submit your request to attend 32nd AGM remotely	• Registration is open from Tuesday, 31 October 2023 until the day of 32nd AGM on Tuesday, 12 December 2023. Shareholder(s) or proxy(ies) or corporate representative(s) or attorney(s) are required to pre-register their attendance for the 32nd AGM to ascertain their eligibility to participate the 32nd AGM using the RPV. • Login with your user ID (i.e. e-mail address) and password and select the corporate event: **(Registration) Bina Puri Holdings Bhd 32nd AGM** • Read and agree to the Terms & Conditions and confirm the Declaration.

Administrative Details for the Thirty-Second Annual General Meeting ("32nd AGM") of Bina Puri Holdings Bhd (cont'd)

Procedure	Action
	• Select "Register for Remote Participation and Voting". • Review your registration and proceed to register. • System will send an **e-mail to notify** that your registration for remote participation is received and will be verified. • After verification of your registration against the Record of Depositors as at 5 December 2023, the system will send you an **e-mail after 10 December 2023 to approve or reject** your registration for remote participation. *(Note: Please allow sufficient time for approval of new user of TIIH Online and registration for the RPV).*

On the AGM Day

Procedure	Action
i. Login to TIIH Online	• Login with your user ID and password for remote participation at the 32nd AGM at any time from 10.00 a.m. i.e. 1 hour before the commencement of meeting at 11.00 a.m. on Tuesday, 12 December 2023.
ii. Participate through Live Streaming	• Select the corporate event: **(Live Stream Meeting) Bina Puri Holdings Bhd 32nd AGM** to engage in the proceedings of the 32nd AGM remotely. If you have any question for the Chairman/Board, you may use the query box to transmit your question. The Chairman/Board will try to respond to questions submitted by remote participants during the AGM. If there is time constraint, the responses will be e-mailed to you at the earliest possible, after the meeting.
iii. Online remote voting	• Voting session commences from 11.00 a.m. on Tuesday, 12 December 2023 until a time when the Chairman announces the end of the session. • Select the corporate event: **(Remote Voting) Bina Puri Holdings Bhd 32nd AGM** or if you are on the live stream meeting page, you can select "**GO TO REMOTE VOTING PAGE**" button below the Query Box. • Read and agree to the Terms & Conditions and confirm the Declaration. • Select the CDS account that represents your shareholdings. • Indicate your votes for the resolutions that are tabled for voting. • Confirm and submit your votes.
iv. End of remote participation	• Upon the announcement by the Chairman on the conclusion of the 32nd AGM, the Live Streaming will end.

Note to users of the RPV facilities:

(i) Should your registration for RPV be approved, we will make available to you the rights to join the live stream meeting and to vote remotely. Your login to TIIH Online on the day of meeting will indicate your presence at the virtual meeting.

(ii) The quality of your connection to the live broadcast is dependent on the bandwidth and stability of the internet at your location and the device you use.

(iii) In the event you encounter any issues with logging-in, connection to the live stream meeting or online voting on the meeting day, kindly call Tricor Help Line at 011-40805616 / 011-40803168 / 011-40803169 / 011-40803170 for assistance or e-mail to tiih.online@my.tricorglobal.com for assistance.

Entitlement to Participate and Appointment of Proxy

- Only members whose names appear on the Record of Depositors as at 5 December 2023 shall be eligible to attend, speak and vote at the 32nd AGM or appoint a proxy(ies) and/or the Chairman of the Meeting to attend and vote on his/her behalf.

- In view that the 32nd AGM will be conducted on a virtual basis, a member can appoint the Chairman of the Meeting as his/her proxy and indicate the voting instruction in the Form of Proxy.

Administrative Details for the Thirty-Second Annual General Meeting ("32nd AGM") of Bina Puri Holdings Bhd (cont'd)

- If you wish to participate in the 32nd AGM yourself, please do not submit any Form of Proxy for the AGM. You will not be allowed to participate in the 32nd AGM together with a proxy appointed by you.

- Accordingly, proxy forms and/or documents relating to the appointment of proxy/corporate representative/attorney for the 32nd AGM whether in hard copy or by electronic means shall be deposited or submitted in the following manner not later than **10 December 2023** at **11.00 a.m.**:

(i) In Hard copy:

a) By hand or post to the office of the Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur;

b) By fax at 03-2783 9222 or e-mail to is.enquiry@my.tricorglobal.com

(ii) By Electronic form:

All shareholders can have the option to submit proxy forms electronically via TIIH Online and the steps to submit are summarised below:

Procedure	Action
i. Steps for Individual Shareholders	
Register as a User with TIIH Online	• Using your computer, please access the website at https://tiih.online. Register as a user under the "e-Services". Please refer to the tutorial guide posted on the homepage for assistance. • If you are already a user with TIIH Online, you are not required to register again.
Proceed with submission of form of proxy	• After the release of the Notice of Meeting by the Company, login with your user name (i.e. email address) and password. • Select the corporate event: **Bina Puri Holdings Bhd 32nd AGM - "Submission of Proxy Form"**. • Read and agree to the Terms and Conditions and confirm the Declaration. • Insert your CDS account number and indicate the number of shares for your proxy(s) to vote on your behalf. • Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide on your votes. • Review and confirm your proxy(s) appointment. • Print the form of proxy for your record.
ii. Steps for corporation or institutional shareholders	
Register as a User with TIIH Online	• Access TIIH Online at https://tiih.online • Under e-Services, the authorised or nominated representative of the corporation or institutional shareholder selects "**Create Account by Representative of Corporate Holder**". • Complete the registration form and upload the required documents. • Registration will be verified, and you will be notified by email within one (1) to two (2) working days. • Proceed to activate your account with the temporary password given in the email and re-set your own password. Note: The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact our Share Registrar if you need clarifications on the user registration.

Administrative Details for the Thirty-Second Annual General Meeting ("32nd AGM") of Bina Puri Holdings Bhd (cont'd)

Procedure	Action
Proceed with submission of form of proxy	• Login to TIIH Online at https://tiih.online • Select the corporate exercise name: "**Bina Puri Holdings Bhd 32nd AGM: Submission of Proxy Form**" • Agree to the Terms & Conditions and Declaration. • Proceed to download the file format for "Submission of Proxy Form" in accordance with the Guidance Note set therein. • Prepare the file for the appointment of proxies by inserting the required data. • Submit the proxy appointment file. • Login to TIIH Online, select corporate exercise name: "**Bina Puri Holdings Bhd 32nd AGM: Submission of Proxy Form**". • Proceed to upload the duly completed proxy appointment file. • Select "Submit" to complete your submission. • Print the confirmation report of your submission for your record.

Voting at Meeting

- The voting at the 32nd AGM will be conducted on a poll pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"). The Company has appointed Tricor to conduct the poll voting electronically ("e-voting") via Tricor e-Vote application ("Tricor e-Vote App") and Coopers Professional Scrutineers Sdn Bhd as Independent Scrutineers to verify the poll results.

- Shareholders can proceed to vote on the resolutions before the end of the voting session which will be announced by the Chairman of the Meeting and submit your votes at any time from the commencement of the 32nd AGM at 11.00 a.m. Kindly refer to "Procedures to Remote Participation and Voting via RPV Facilities" provided above for guidance on how to vote remotely via TIIH Online.

Results of the voting

- The resolutions proposed at the 32nd AGM and the results of the voting will be announced at the 32nd AGM and subsequently via an announcement made by the Company through Bursa Malaysia at www.bursamalaysia.com.

No Breakfast / Lunch Pack, Door Gift or Food Voucher

- There will be no distribution of breakfast / lunch packs, door gifts or food vouchers during the 32nd AGM since the meeting is being conducted on a virtual basis.

Pre-Meeting Submission of Questions to the Board of Directors

- The Board recognises that the 32nd AGM is a valuable opportunity for the Board to engage with shareholders. In order to enhance the efficiency of the proceedings of the 32nd AGM, shareholders may in advance, before the 32nd AGM, submit questions to the Board of Directors via Tricor's TIIH Online website at https://tiih.online, by selecting "e-Services" to login, post your questions and submit it electronically no later than 10 December 2023. The Board of Directors will endeavor to address the questions received at the 32nd AGM.

No Recording of Photography

- Unauthorized recording and photography are strictly prohibited at the 32nd AGM.

Administrative Details for the Thirty-Second Annual General Meeting ("32nd AGM") of Bina Puri Holdings Bhd (cont'd)

Annual Report

- The Annual Report and Statement to Shareholders is available on the Company's website at www.binapuri.com.my and Bursa Malaysia's website at www.bursamalaysia.com under Company's announcements.

- You may request for a printed copy of the Annual Report and Statement to Shareholders at https://tiih.online by selecting "Request for Annual Report" under the "Investor Services".

- Kindly consider the environment before you decide to request for the printed copy of the Annual Report and Statement to Shareholders. The environmental concerns like global warming, deforestation, climate change and many more affect every human, animal and nation on this planet.

Enquiry

- If you have any enquiry prior to the meeting, please call our Share Registrar, Tricor at +603-2783 9299 during office hours i.e., from 8.30 a.m. to 5.30 p.m. (Monday to Friday).

Group Corporate Directory

BINA PURI HOLDINGS BHD

Wisma Bina Puri, 88, Jalan Bukit Idaman 8/1, Bukit Idaman, 68100 Selayang, Selangor Darul Ehsan, Malaysia
Tel : +603 - 6136 3333 • Fax : +603 - 6136 9999 • Email : corpcomm@binapuri.com.my • Website : www.binapuri.com.my

MAJOR SUBSIDIARIES & ASSOCIATES

CONSTRUCTION

BINA PURI SDN. BHD.
BINA PURI BUILDER SDN. BHD.
Kuala Lumpur and Sabah
Registered Office
Wisma Bina Puri
88, Jalan Bukit Idaman 8/1
Bukit Idaman, 68100 Selayang
Selangor Darul Ehsan, Malaysia
Tel : +603 6136 3333
Fax : +603 6136 9999
Email : corpcomm@binapuri.com.my

Sarawak Office
No. 19, 1st Floor
Travillion Commercial Centre
Jalan Petanak, 93100 Kuching
Sarawak, Malaysia
Tel : +6082 240 993
Fax : +6082 241 994
Email : acc.bpkch@gmail.com

HIGHWAY CONCESSION

KL-KUALA SELANGOR EXPRESSWAY BERHAD (LATAR)
Kompleks Operasi LATAR
45600 Bestari Jaya
Selangor Darul Ehsan, Malaysia
Tel : +603 6145 1500
Fax : +603 6145 1400
Call Centre : +603 6145 1515
Website : www.latar.com.my

PROPERTY DEVELOPMENT

BINA PURI PROPERTIES SDN. BHD.
Wisma Bina Puri
88, Jalan Bukit Idaman 8/1
Bukit Idaman, 68100 Selayang
Selangor Darul Ehsan, Malaysia
Tel : +603 6136 3333
Fax : +603 6136 9999
Email : corpcomm@binapuri.com.my

IDEAL HEIGHTS PROPERTIES SDN. BHD.
Wisma Bina Puri
88, Jalan Bukit Idaman 8/1
Bukit Idaman, 68100 Selayang
Selangor Darul Ehsan, Malaysia
Tel : +603 6136 3333
Fax : +603 6136 9999
Email : ihp@idealheights.com.my

QUARRY OPERATION

KM QUARRY SDN. BHD.
No. 16-1, Jalan PE35
Taman Paya Emas Fasa 2A
76450 Paya Rumput, Melaka, Malaysia
Tel : +606 312 4286
Fax : +606 312 4278
Email : kmquarry@binapuri.com.my

UTILITIES

BINA PURI POWER SDN. BHD.
Wisma Bina Puri
88, Jalan Bukit Idaman 8/1
Bukit Idaman, 68100 Selayang
Selangor Darul Ehsan, Malaysia
Tel : +603 6136 3333
Fax : +603 6136 9999
Email : corpcomm@binapuri.com.my

PT MEGAPOWER MAKMUR TBK
Galeri Niaga Mediterania 2
Blok M8 I - J
Jalan Pantai Indah Utara 2
Pantai Indah Kapuk
Jakarta Utara, 14460, Indonesia
Tel : +6221 588 3595
Fax : +6221 588 3594
Email : info@megapowermakmur.co.id
Website : www.megapowermakmur.co.id

INTERNATIONAL DIRECTORY

BINA PURI (THAILAND) LTD
11, Bangna-Trad 25 Alley, Bangna-Trad Rd., Bangna Neua Sub District,
Bangna
District, 10260 Bangkok, Thailand
Tel : +66 2 744 1366 / 1367
Fax : +66 2 744 1369

BINA PURI (B) SDN. BHD.

Rimbun Suites & Residences
Level 1, Block 1C,
Jalan Ong Sum Ping
BA 1311 Bandar Seri Begawan
Brunei Darussalam
Tel : +00673 223 2373
Fax : +00673 2233 7711
Email : rimbunsuites@gmail.com
Website : www.rimbunsuites.com

BINA PURI HOLDINGS BHD
199001015515 (207184-X)
(Incorporated in Malaysia)

PROXY FORM

I/We ____
(Full Name in block letters & IC No./Company no.)

of ____
(Address)

being a member of BINA PURI HOLDINGS BHD. hereby appoint ______________________________
(Full name in block letters & IC No.)

of ____
(Address)

and ____
(Full name in block letters & IC No.)

of ____
(Address)

or failing whom, CHAIRMAN OF THE MEETING as my / our proxy to vote for me / us and on my / our behalf at the THIRTY-SECOND ANNUAL GENERAL MEETING to be conducted on a fully virtual basis and entirely via Remote Participation and Electronic Voting via online meeting platform at TIIH Online website at https://tiih.online provided by Tricor Investor & Issuing House Services Sdn. Bhd. from broadcast venue at Tricor Business Centre, Manuka 2 & 3 Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur on Tuesday, 12 December 2023 at 11.00 a.m., or at any adjournment thereof (as the case may be), for the purpose of considering and, if thought fit, passing the following resolution, with or without modifications:-

RESOLUTION	AGENDA	FOR	AGAINST
Ordinary Resolution 1	To re-elect Dr. Tan Cheng Kiat who retires pursuant to Clause 87 of the Company's Constitution.		
Ordinary Resolution 2	To re-elect Tan Sri Datuk Tee Hock Seng, JP who retires pursuant to Clause 87 of the Company's Constitution.		
Ordinary Resolution 3	To re-elect Datuk Amar Jaul Anak Samion who retires pursuant to Clause 94 of the Company's Constitution.		
Ordinary Resolution 4	To re-elect Ir Azman Bin Bujang who retires pursuant to Clause 94 of the Company's Constitution.		
Ordinary Resolution 5	To re-elect Lee Hui Zien who retires pursuant to Clause 94 of the Company's Constitution.		
Ordinary Resolution 6	To re-elect Chai Chan Tong who retires pursuant to Clause 94 of the Company's Constitution.		
Ordinary Resolution 7	To re-elect Ooi Hee Kah who retires pursuant to Clause 94 of the Company's Constitution.		
Ordinary Resolution 8	To re-elect Chee Su Kyun who retires pursuant to Clause 94 of the Company's Constitution.		
Ordinary Resolution 9	To approve the payment of Directors' fees up to RM550,000 from 32nd AGM up to the conclusion of the 33rd AGM.		
Ordinary Resolution 10	To re-appoint Messrs. UHY as Auditors of the Company.		
Ordinary Resolution 11	Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016.		
Ordinary Resolution 12	Proposed Renewal of Authority for the Company to purchase its own Shares.		

[Please indicate with (X) in the spaces provided how you wish your vote to be casted. If no specific direction as to voting is given, the Proxy will vote or abstain at his/her discretion.]

First Proxy	%
Second Proxy	%
Total:	**100 %**

No. Of Shares Held:	
CDS Accounts No.	

Dated this ________ day of _____________ 2023

____
Signature of Shareholder(s) or Common Seal

Notes:

1. Please refer to the Administrative Guide for the procedures to register and participate in the virtual meeting. Shareholders will not be allowed to attend the 32nd AGM in person at the Broadcast Venue on the day of the meeting.
2. A Member holding one thousand (1,000) ordinary shares or less may appoint only one (1) proxy to attend and vote instead of him at a general meeting who shall represent all the shares held by such Member, and where a Member holding more than one thousand (1,000) ordinary shares may appoint more than one (1) proxy but not more than two (2) proxies to attend and vote instead of him at the same meeting who shall represent all the shares held by such Member.
3. Where the Member of the Company appoints more than one (1) proxy but not more than two (2) proxies, the Member shall specify the proportion of his shareholdings to be represented by each proxy.
4. Where a Member is an authorised nominee as defined under the Central Depositories Act, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
5. The instrument appointing a proxy shall be in writing under the hand of appointor or of his attorney duly authorized in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
6. The instrument appointing a proxy must be completed and deposited at the office of the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting (or in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll). Individual shareholders can also have the option to submit the proxy appointment electronically via TIIH online at website https://tiih.online before the proxy form submission cut-off time as mentioned in the above. For further information on the electronic submission of proxy form, kindly refer to the Administrative Guide.
7. If you have submitted your Form of Proxy and subsequently decide to appoint another person or wish to participate in the 32nd AGM by yourself, please contact the Company's Share Registrar to revoke the earlier appointed proxy forty-eight (48) hours before this meeting.
8. Only members whose names appear in the Record of Depositors as at 5 December 2023 shall be eligible to attend the 32nd AGM or appointed proxy(ies) to attend and vote on his/her behalf.
9. All the resolutions set out in this Notice of 32nd AGM shall be put to vote by poll.

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Affix
Stamp

SHARE REGISTRAR,
BINA PURI HOLDINGS BHD

TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN. BHD.
Unit 32-01, Level 32, Tower A,
Vertical Business Suite, Avenue 3, Bangsar South,
No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia

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www.binapuri.com.my

Bina Puri Holdings Bhd
REGISTRATION NO. 199001015515 (207184-X)

Wisma Bina Puri
88, Jalan Bukit Idaman 8/1
Bukit Idaman, 69100 Selayang
Selangor Darul Ehsan
Malaysia

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