

redefining
the art of
living



TROPICANA
CORPORATION BERHAD

Central

1



TROPICANA
GOLF & COUNTRY RESORT

2



TROPICANA
GARDENS
TROPICANA INDAH

3



TROPICANA
FOUNDATION

4



TROPICANA
AMAN
KOTA KEMUNING

5



TROPICANA
METROPARK
SUBANG JAYA

6



TROPICANA
HEIGHTS
KUALANG

7



TROPICANA
MIYU
PETALING JAYA

8



TROPICANA
AVENUE
PETALING JAYA NORTH

9



TROPICANA
CHERAS

10



W
KUALA LUMPUR

11



TROPICANA
THE RESIDENCES
KUALA LUMPUR

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TROPICANA
GRANDHILL
GENTING HIGHLANDS

13



ST JOSEPH'S INSTITUTION
INTERNATIONAL SCHOOL MALAYSIA
(TROPICANA PJ CAMPUS)

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GEMS
International School
TROPICANA METROPARK

15



TERRY FOLGATE
SCHOOLS

Northern

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TROPICANA
218 Macalister
PENANG

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COURTYARD
BY MARRIOTT

18



TROPICANA
CENANG
LANGKAWI

Southern

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TROPICANA
DANGA BAY
ISKANDAR MALAYSIA

20



TROPICANA
DANGA COVE
ISKANDAR MALAYSIA

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TROPICANA
UPLANDS
GELANG PATAH

Eastern

22



TROPICANA
LANDMARK
LUXURY CONDOMINIUMS

REDEFINING THE ART OF LIVING

The long journey we've taken since 1979 towards our present state has led us on a quest to redefine the art of living by creating vibrant landscapes across Malaysia. We aspire towards our vision of becoming one of the nation's premier developers of thriving townships where people can live, learn, work and play.





Tropicana's new and modern Headquarters, located at the award-winning Tropicana Gardens integrated development at Kota Damansara

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THE ART OF TOGETHERNESS

We always aspire to build homes, shops, offices and parks in harmony within integrated townships where people can live, learn, work and play together. Our experience with over 50 completed townships, shopping malls, office buildings and developments ensures that when we create spaces with the art of living in mind, we're creating a safe and secure haven for you and your loved ones.

GROUP OVERVIEW

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



2020

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OUR UNIQUE
TROPICANA DNA

For over four decades, Tropicana Corporation Berhad ("Tropicana") has consistently redefined the art of living and has become a household name in community building. Our townships are created with our DNA that focuses on nine aspects: accessibility, connectivity, innovative concepts and designs, generous open spaces, amenities, facilities, multi-tiered security and quality.

We are driven by our passion to be one of the nation's premier property developers, delivering desirable and valuable products. With an emphasis on providing for our customers' needs, we continue to build fully-integrated townships and developments.

-  **TOTAL REVENUE**
RM1.06 billion in FY20*
-  **PROPERTY SALES**
RM802.4 million in FY20*
-  **CURRENT LANDBANK**
2,144 acres*
-  **TOTAL POTENTIAL GDV**
Over RM77 billion*
-  **TOTAL DEVELOPMENT**
Over 50 completed developments with 6 ongoing townships
-  **NET ASSETS PER SHARE**
RM3.22 in FY20*
-  **PRESTIGIOUS AWARD**
Top Ten Property Developer by The Edge Property Excellence Award 2020

*AS OF 31 DECEMBER 2020

A BOUT US

Tropicana was incorporated in 1979, listed on the Main Market of Bursa Malaysia Securities Berhad in 1992 and rebranded in 2013. We have since become one of Malaysia's leading conglomerates with diversified business interests in Property Development & Property Management, Property Investment, Recreation & Resorts, Investment Holdings and more. Tropicana is also investing in the future with digital platforms such as the Tropicana 360 mobile app to fully integrate our business into the online sphere, providing our customers with a modern and up-to-date experience for all things Tropicana.

We remain focused on delivering long-term, sustainable growth and maximising our shareholders' value. Having acquired a 2,144 acre total landbank with over RM77 billion GDV and achieving RM1.06 billion in revenue in 2020, we've crossed many milestones and received numerous awards along the way. We are constantly innovating with new and exciting developments and living concepts around the country, moving us ever closer towards our vision of becoming the nation's leading property developer.

We strive to be the leading property group that delivers innovative and quality products that enhance stakeholders' value.

OUR VISION

OUR BUSINESS PRINCIPLES

Our Customers Come First

Our loyal customers, the driving force behind the success of our Company, are always at the forefront of our business. We aspire to provide quality and innovative products with a human touch, bringing warmth and customer satisfaction. We aim to always engage with our customers on multiple fronts, from personal to digital platforms, to provide ever smoother and more convenient interactions.

Our Commitment to Our Shareholders

We endeavour to create maximum shareholder value through sustainable strategies, full accountability, business continuity and profitability.

Our People are Our Greatest Assets

We foster our team with a dedication to deliver the best. We encourage a culture of excellence and leadership in our people to strive towards greater successes.

Our Teamwork

We have built a nurturing organisation with shared values and culture, and we are motivated to think and deliver as One Team and One Organisation with One Vision.

Tropicana Cenang,
your next holiday home at Langkawi

CORPORATE INFORMATION

As at 11 May 2021

BOARD OF DIRECTORS

Tan Sri Dr Lim Wee Chai
Chairman/Non-Independent
Non-Executive Director

Tan Sri Dato’ Tan Chee Sing
Group Executive Vice Chairman

Lee Han Ming
Group Chief Executive Officer

Dion Tan Yong Chien
Group Managing Director

Jared Ang Tzer Shen
Group Non-Independent Executive Director

Datuk Michael Tang Vee Mun
Senior Independent Non-Executive Director

Mohd Najib Bin Abdul Aziz
Independent Non-Executive Director

Datuk Wira Lye Ek Seang
Independent Non-Executive Director

Alice Dora Boucher
Independent Non-Executive Director

Tan Sri Dato’ Sri Mohamad Fuzi Bin Harun
Independent Non-Executive Director

Vivienne Cheng Chi Fan
Independent Non-Executive Director

Datuk Siw Chun A/P Eam
Independent Non-Executive Director

Dato’ Dr Teo Tong Kooi
Independent Non-Executive Director

Dato’ Sri Badrul Hisham Bin Abdul Aziz
Independent Non-Executive Director

WEBSITE
www.tropicanacorp.com.my

EMAIL
corpcomm@tropicanacorp.com.my

STOCK EXCHANGE LISTING
Main Market
Bursa Malaysia Securities Berhad
Stock Name: TROP
Stock Code : 5401

AUDIT COMMITTEE
Mohd Najib Bin Abdul Aziz (Chairman)
Vivienne Cheng Chi Fan
Alice Dora Boucher
Dato’ Dr Teo Tong Kooi

RISK MANAGEMENT COMMITTEE
Tan Sri Dato’ Sri Mohamad Fuzi Bin Harun (Chairman)
Dion Tan Yong Chien
Datuk Michael Tang Vee Mun
Alice Dora Boucher
Vivienne Cheng Chi Fan

NOMINATION COMMITTEE
Datuk Wira Lye Ek Seang (Chairman)
Datuk Michael Tang Vee Mun
Mohd Najib Bin Abdul Aziz
Datuk Siw Chun A/P Eam
Alice Dora Boucher

REMUNERATION COMMITTEE
Datuk Michael Tang Vee Mun (Chairman)
Datuk Wira Lye Ek Seang
Mohd Najib Bin Abdul Aziz
Datuk Siw Chun A/P Eam

PRICING COMMITTEE
Mohd Najib Bin Abdul Aziz (Chairman)
Dion Tan Yong Chien
Datuk Wira Lye Ek Seang
Alice Dora Boucher
Jared Ang Tzer Shen

INVESTMENT COMMITTEE
Datuk Michael Tang Vee Mun (Chairman)
Lee Han Ming
Dion Tan Yong Chien
Datuk Wira Lye Ek Seang
Mohd Najib Bin Abdul Aziz

HEAD OFFICE,
REGISTERED OFFICE,
REGISTER OF IRREDEEMABLE
CONVERTIBLE PREFERENCE SHARES
Unit 1301, Level 13
Tropicana Gardens Office Tower
No. 2A, Persiaran Surian
Tropicana Indah
47810 Petaling Jaya,
Selangor Darul Ehsan, Malaysia
Telephone: +603 7663 6888
Facsimile : +603 7663 6688

AUDITORS
Ernst & Young PLT (AF 0039)
Chartered Accountants
Level 23A, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur, Malaysia
Telephone: +603 7495 8000
Facsimile : +603 2095 9076

SHARE REGISTRAR
Securities Services (Holdings) Sdn Bhd
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur, Malaysia
Telephone: +603 2084 9000
Facsimile : +603 2094 9940

COMPANY SECRETARIES
Chua Siew Chuan (MAICSA 0777689)
SSM PC No. : 201908002648
Chin Mun Yee (MAICSA 7019243)
SSM PC No. : 201908002785
Tan Gin Ling (MAICSA 7023190)
SSM PC No.: 201908002292

PRINCIPAL BANKERS
Alliance Islamic Bank Malaysia Berhad
Bank Kerjasama Rakyat Malaysia Berhad
Public Bank Berhad
Malayan Banking Berhad
OCBC Bank (Malaysia) Berhad
HSBC Amanah Malaysia Berhad
United Overseas Bank (Malaysia) Berhad
CIMB Bank Berhad

CORPORATE STRUCTURE

As at 11 May 2021

PROPERTY DEVELOPMENT, PROPERTY
MANAGEMENT, PROPERTY INVESTMENT,
RECREATION AND RESORT OPERATIONS

Advent Nexus Sdn Bhd	100%
Arah Pelangi Sdn Bhd	100%
Bakat Rampai Sdn Bhd	100%
• Dicorp Land Sdn Bhd	100%
• Tropicana City Sdn Bhd	100%
- Dicasa Management Services Sdn Bhd	100%
- Tropicana City Management Sdn Bhd	100%
- Tropicana Kajang Hill Sdn Bhd	100%
- Tropicana Parking Sdn Bhd	100%
• Tropicana Indah Realty Sdn Bhd	100%
- Tropicana Indah Sdn Bhd	70%
Daya Petaling Sdn Bhd	100%
Greenhouse Farm & Fishery Sdn Bhd	100%
(fka Tropicana Aquaculture Sdn Bhd)	
Marvelscape Sdn Bhd	100%
Myxon (M) Sdn Bhd	100%
Suasana Metro Sdn Bhd	70%
Suci Padu Resources Sdn Bhd	100%
Supreme Converge Sdn Bhd	100%
• Agile Tropicana Development Sdn Bhd	30%
Tropicana Acehub Sdn Bhd	100%
• Lido Waterfront Boulevard Sdn Bhd	65%
Tropicana Aman Sdn Bhd	100%
• Sapphire Step Sdn Bhd	100%
Tropicana Cheras Sdn Bhd	100%
Tropicana Coliseum (Ipoh) Sdn Bhd	100%
Tropicana Danga Bay Land Sdn Bhd	100%
• Desiran Realiti Sdn Bhd	100%
• Tropicana Danga Bay Sdn Bhd	60%
Tropicana Danga Cove Holding Sdn Bhd	100%
• Tropicana Danga Cove Sdn Bhd	50%
Tropicana Danga Lagoon Development Sdn Bhd	100%
• Tropicana Danga Lagoon Land Sdn Bhd	100%
• Tropicana Danga Lapanbelas Sdn Bhd	100%
Tropicana Danga Lagoon Garden Sdn Bhd	100%
Tropicana Danga Lagoon Sdn Bhd	100%
• Tropicana Lagoon Sdn Bhd	100%
Tropicana Development (Johor Bahru) Sdn Bhd	100%
Tropicana Development (Penang) Sdn Bhd	100%
Tropicana Development (Sabah) Sdn Bhd	100%
Tropicana Development (Sg Besi) Sdn Bhd	100%
Tropicana Education Management Sdn Bhd	85%
Tropicana Firstwide Sdn Bhd	100%
Tropicana GP Views Sdn Bhd	100%
(fka GP Views Development Sdn Bhd)	

Note: “fka” – formerly known as

Tropicana Miyu,
Petaling Jaya

CORPORATE
STRUCTURE

Tropicana Golf & Country Resort Berhad	100%
• Tropicana Cuisines Catered Sdn Bhd	100%
• Tropicana Desa Mentari Sdn Bhd	100%
• Tropicana Management Services Sdn Bhd	100%
• Tropicana Sungai Buloh Sdn Bhd	100%
• Spring Garden Star Sdn Bhd	100%
<i>(fka Mighty Valley Sdn Bhd)</i>	
Tropicana Harapan Sdn Bhd	100%
• Tropicana Temokin Sdn Bhd	51%
Tropicana Inspirasi Sdn Bhd	100%
<i>(fka Sumber Saujana Sdn Bhd)</i>	
• Tropicana Saujana Sdn Bhd	100%
• Tropicana Inspirasi Impian Sdn Bhd	51%
<i>(fka Elkwood Realty Sdn Bhd)</i>	
• Tropicana Inspirasi Indah Sdn Bhd	51%
<i>(fka Snowflakes Realty Sdn Bhd)</i>	
Tropicana Jaya Sdn Bhd	100%
Tropicana Kiara Lestari Development Sdn Bhd	100%
Tropicana Kiara Lestari Land Sdn Bhd	100%
Tropicana Lahad Datu Development Sdn Bhd	100%
Tropicana Land (Sandakan) Sdn Bhd	100%
Tropicana Land Sdn Bhd	100%
Tropicana Landmark Sdn Bhd	100%
Tropicana Lido Development Sdn Bhd	100%
Tropicana Lingkaran Utama Sdn Bhd	100%
• Tropicana Southern Gallery Sdn Bhd	100%
Tropicana Macalister Avenue (Penang) Sdn Bhd	100%
Tropicana Makmur Arif Sdn Bhd	100%
<i>(fka Sparkling Realty Sdn Bhd)</i>	
Tropicana Makmur Cahaya Sdn Bhd	100%
<i>(fka Capricorn Realty Sdn Bhd)</i>	
Tropicana Makmur Duta Sdn Bhd	100%
<i>(fka Skytree Realty Sdn Bhd)</i>	
Tropicana Makmur Erat Sdn Bhd	100%
<i>(fka Starling Realty Sdn Bhd)</i>	
Tropicana Makmur Gagah Sdn Bhd	100%
<i>(fka Raindust Realty Sdn Bhd)</i>	
Tropicana Makmur Irama Sdn Bhd	100%
<i>(fka Moonlight Realty Sdn Bhd)</i>	
Tropicana Makmur Peluang Sdn Bhd	100%
<i>(fka Stardust Realty Sdn Bhd)</i>	
Tropicana Mentari Development Sdn Bhd	100%
• Tropicana Sierra Sdn Bhd	100%
• Urban Discovery Sdn Bhd	100%
Tropicana Metro Sdn Bhd	100%
Tropicana Metropark Sdn Bhd	100%
• Tropicana Gems Education Sdn Bhd	100%
Tropicana Plaza Sdn Bhd	100%
Tropicana Properties (Klang) Sdn Bhd	100%
Tropicana Properties (Sabah) Sdn Bhd	100%
Tropicana Properties (Sandakan) Sdn Bhd	100%

Tropicana Property Management Sdn Bhd	100%
Tropicana Property Services Sdn Bhd	100%
Tropicana Residences Sdn Bhd	100%
Tropicana Resort Holding Sdn Bhd	100%
• Tropicana Danga Bay Resort Sdn Bhd	60%
Tropicana Rhythm Crest Sdn Bhd	100%
Tropicana Sadong Jaya Development Sdn Bhd	100%
Tropicana Sanctuary Development Sdn Bhd	70%
Tropicana Scenic Development Sdn Bhd	100%
Tropicana Senibong Sdn Bhd	100%
Tropicana Serdang Suria Sdn Bhd	100%
Tropicana Seri Aliran Sdn Bhd	100%
<i>(fka Comets Realty Sdn Bhd)</i>	
Tropicana Seri Bakat Sdn Bhd	100%
<i>(fka Limestone Realty Sdn Bhd)</i>	
Tropicana Seri Damai Sdn Bhd	100%
<i>(fka Lavender Realty Sdn Bhd)</i>	
Tropicana Seri Dutaan Sdn Bhd	100%
<i>(fka Tropicana Technology Sdn Bhd)</i>	
Tropicana Seri Fauna Sdn Bhd	100%
<i>(fka Rainforest Realty Sdn Bhd)</i>	
Tropicana Seri Irama Sdn Bhd	100%
<i>(fka Misty Realty Sdn Bhd)</i>	
Tropicana Seri Jalur Sdn Bhd	100%
<i>(fka Tropicana City Development Sdn Bhd)</i>	
Tropicana Seri Jutaan Sdn Bhd	100%
<i>(fka Pluto Realty Sdn Bhd)</i>	
Tropicana Seri Meranti Sdn Bhd	100%
<i>(fka Tropicana Bukit Bintang Development Sdn Bhd)</i>	
Tropicana Seri Nipah Sdn Bhd	100%
<i>(fka Tropicana Kia Peng Sdn Bhd)</i>	
Tropicana Seri Orkid Sdn Bhd	100%
<i>(fka Tropicana KL Development Sdn Bhd)</i>	
Tropicana Seri Peluang Sdn Bhd	100%
<i>(fka Twinkle Realty Sdn Bhd)</i>	
Tropicana Seri Resak Sdn Bhd	100%
<i>(fka Tropicana Lintas Development Sdn Bhd)</i>	
Tropicana Seri Riang Sdn Bhd	100%
<i>(fka Tropicana Mengalum Holdings Sdn Bhd)</i>	
Tropicana Seri Segak Sdn Bhd	100%
<i>(fka Kuasa Cekapmas Sdn Bhd)</i>	
Tropicana Seri Sena Sdn Bhd	100%
<i>(fka Tropicana Properties (Puchong) Sdn Bhd)</i>	
Tropicana Seri Tabah Sdn Bhd	100%
<i>(fka Waves Realty Sdn Bhd)</i>	
Tropicana Seri Tujuan Sdn Bhd	100%
<i>(fka Tropicana Urban Homes Sdn Bhd)</i>	
Tropicana Sinaran Sdn Bhd	100%
<i>(fka Tropicana Properties (Keningau) Sdn Bhd)</i>	
Tropicana Tawau Development Sdn Bhd	100%
Tropicana Wisma TT Sdn Bhd	100%

OTHER INVESTMENT

BK Utilities Sdn Bhd	100%
Tropicana Laris Sdn Bhd	99%
<i>(fka Cenang Laris Sdn Bhd)</i>	
Megaxis Sdn Bhd	100%
Pixelcloud Sdn Bhd	100%
Purple Pumkie Organic Farm Sdn Bhd	100%
Tropicana Building Materials Sdn Bhd	100%
Tropicana Central Department Store Sdn Bhd	100%
Tropicana Central Garden Mall Sdn Bhd	100%
Tropicana Collections (MM2H) Sdn Bhd	100%
Tropicana Corporate Solutions Sdn Bhd	100%
Tropicana Credit & Leasing Sdn Bhd	100%
Tropicana Danga Senibong Holding Sdn Bhd	100%
Tropicana Healthcare Supplies Sdn Bhd	100%
<i>(fka Tropicana Global Development Sdn Bhd)</i>	
Tropicana Innovative Landscape Sdn Bhd	100%
Tropicana Kemayan Development Sdn Bhd	100%
Tropicana Landmark Education Sdn Bhd	100%
Tropicana Paisley Sdn Bhd	100%
Tropicana Rahang Development Sdn Bhd	100%
Tropicana Shared Services Sdn Bhd	100%
Tropicana SJII Education Management Sdn Bhd	51%
Tropicana Subang South Development Sdn Bhd	100%
Ultimate Support Sdn Bhd	100%
Valley Talent Solutions Sdn Bhd	99%

OTHER FOREIGN INVESTMENT

Tropicana Business Consulting (Shenzhen) Pte Ltd	100%
Tropicana Investment Consulting Pte Ltd	100%
Tropicana Marketplace Sdn Bhd	100%
• Marketplace (Hong Kong) Limited	100%

Note: “fka” – formerly known as

Tropicana Miyu,
Petaling Jaya

SIGNIFICANT MILESTONES

- Established since 1979
- Over 40 years of history and expertise
- Completed over 50 developments
- Ongoing 6 townships
- Won over 120 awards
- Presence across Malaysia
- International offices in China, Hong Kong and Taiwan

1992

Listed on the Main Market of Bursa Malaysia Securities Berhad.
Pioneered the resort-themed development with the Tropicana Golf & Country Resort ("TGCR").

1979

Tropicana Group was incorporated and quickly became one of the fastest-growing property developers in Malaysia.

1995-2009

Developed over 1,000 acres of TGCR and Tropicana Indah Resort Homes.
Unveiled the nine-acre Tropicana City integrated development.

2012

Conducted the Tropicana amalgamation exercise to consolidate all property development and investment activities into the Tropicana Group.

2013

Achieved record revenue of RM1.48 billion and record sales of RM2.16 billion.
Changed its corporate name from Dijaya Corporation Berhad to Tropicana Corporation Berhad.

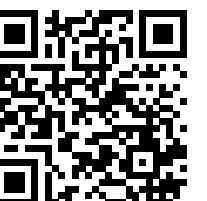
2013-2017

Won over 50 prestigious awards from 2013 to 2017.
Honoured as one of the Top Ten Property Developers at The Edge Property Excellence Award 2017, and continued to gain recognition from various reputable organisations.

2020

Accumulated a total landbank of 2,144 acres worth over RM77 billion in GDV.
Our 10-TEN digital campaign achieved bookings of RM899 million.
Reactivated our Tropicana Foundation initiative.
Climbed up The Edge Property Excellence ranking, to Top 9 at The Edge Property Excellence Award 2020.

For more information, visit
www.tropicanacorp.com.my/awards
or scan the QR code.



Awards & Accolades

1995

FIABCI MALAYSIA CHAPTER

- TGC: Best Leisure Development in Malaysia Award

1999-2006

GOLF MALAYSIA

- TGC: awarded 8 years in a row

2009-2014

ASIA PACIFIC PROPERTY AWARDS

- Tropicana awarded 5 years in a row

2015

THE EDGE BILLION RINGGIT CLUB AWARDS

- Tropicana: Highest Profit Growth Company (Property and REIT) Award

THE EDGE MALAYSIA PROPERTY EXCELLENCE AWARDS

- Tan Sri Dato' Tan Chee Sing: The Edge Malaysia Outstanding Property Entrepreneur Award

2016

FIABCI MALAYSIA CHAPTER PROPERTY AWARDS

- Tan Sri Dato' Tan Chee Sing: FIABCI Property Man of the Year Award

2017-2020

- Continues to garner awards, including the prestigious:

THE EDGE PROPERTY EXCELLENCE AWARDS 2017, 2018, 2020

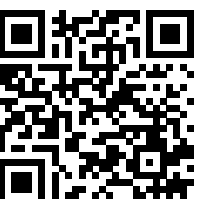
- Top 10 Property Developer Award

THE STAR PROPERTY AWARDS 2017-2020

- The All Star Award for 4 years in a row



For more information, visit
www.tropicana.com.my/awards
 or scan the QR code.





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OUR SIGNATURE DEVELOPMENTS

Tropicana Golf & Country Resort
Petaling Jaya, Selangor

- Residential**
- Ana and Bella linked houses
 - Casa Tropicana condominiums
 - Cora and Dora semi-detached houses
 - Green Acres 1 Gloria and Floria semi-detached houses
 - Green Acres 2 linked houses and semi-detached houses, bungalows and prime bungalow lots
 - Eva townhouses
 - Tropicana Grande golf-fronted condominiums

- Mixed-use Development & Commercial**
- Merchant Square shop offices
 - Tropicana Avenue retail, offices and serviced apartments

Tropicana Indah Resort Homes
Petaling Jaya, Selangor

- Residential**
- Adam and Eve linked houses
 - Casa Indah 1 and 2 condominiums
 - Grand Villas bungalows
 - Green Haven bungalow lots
 - Green Haven 1 resort villas
 - Golf Villas bungalows
 - Link Villas linked houses
 - Mustika and Persona linked houses
 - Pool Villas semi-detached houses
 - Romeo and Juliet linked houses
 - Villa Green 1 linked bungalows
 - Villa Green 2 semi-detached houses
 - Villa Green semi-detached houses

Tropicana City
Petaling Jaya, Selangor

- Residential**
- Casa Damansara 1 and 2 condominiums
 - Tropicana City Tropics serviced apartments
- Retail & Commercial**
- Damansara Intan e-Business Park
 - Tropicana City Mall (Rebranded to 3 Damansara)
 - Tropicana City Office Tower

Other Klang Valley Developments
Petaling Jaya, Selangor

- Residential**
- Casa Kiara 1 and 2 condominiums, Mont' Kiara, Kuala Lumpur*
 - Casa Suites apartments, Petaling Jaya, Selangor
 - Fortune Park apartments, Kuala Lumpur
 - Tropicana Cheras linked houses, semi-detached houses and bungalows, Cheras
 - Tropicana Miyu Condominium, Petaling Jaya, Selangor****

- Mixed-use Development, Commercial, Hospitality & Education**
- St. Joseph's Institution International School Malaysia (Tropicana PJ Campus)
 - GEMS International School at Tropicana Metropark, Subang, Selangor
 - Tenby International School at Tropicana Aman, Kota Kemuning, Shah Alam
 - The Residences and W Kuala Lumpur Hotel, Kuala Lumpur

- Tropicana Gardens mixed-use development and Tropicana Gardens Mall, Tropicana Indah
- Tropicana Aman mixed-use development, Kota Kemuning, Shah Alam
- Tropicana Heights mixed-use development, Kajang
- Tropicana Metropark mixed-use development, Subang Jaya
- Arena Mentari shop offices, Dataran Mentari, Petaling Jaya, Selangor**
- TSB Commercial Centre, Sungai Buloh

Penang, Johor, Langkawi, Genting Highlands and Sabah Developments

- Residential**
- 10 Island Resort condominiums, Batu Ferringhi, Penang*
 - Aston Villa linked houses, semi-detached and shop offices, Bukit Mertajam, Penang
 - Tropicana Landmark condominiums, Kota Kinabalu, Sabah

- Mixed-use Development**
- Tropicana 218 Macalister integrated mixed-use development and Courtyard by Marriott, Penang
 - Tropicana Danga Bay mixed-use development, Iskandar Malaysia, Johor***
 - Tropicana Danga Cove mixed-use development, Iskandar Malaysia, Johor***
 - Tropicana Grandhill mixed-use development, Genting Highlands, Pahang
 - Tropicana Cenang, Langkawi, Kedah
 - Tropicana Uplands, Johor

- Retail, Commercial & Industrial**
- Tropicana Industrial Park, Johor

Note:
* Project Manager
** Joint-venture project with Aliran Firasat Sdn. Bhd.
*** A joint-venture between Tropicana Corporation Berhad and Iskandar Waterfront Sdn. Bhd.
**** A joint-venture between Tropicana Corporation Berhad and Temokin Holdings Sdn. Bhd.

OUR UPCOMING DEVELOPMENTS

INTRODUCING OUR NEW TROPICANA JOURNEY COLLECTION

Take a journey towards the hillside and beachside. A new era of resort living beckons at Langkawi & Genting Highlands.

We have always aspired to redefine the art of living ever since we pioneered the first resort-styled township at Tropicana Golf & Country Resort.

As we journey onwards, we aspire to build homes that are havens in paradisiacal locales.

Tropicana Grandhill, in Genting Highlands is one such haven high amongst the clouds. Lush forests and cool, fresh air makes it a perfect getaway and healing refuge.

Our TwinPines Serviced Suites, the first phase of development seated within the 112-acre of Tropicana Grandhill is ideal for rest and recuperation and is contrasted with the excitement of the theme parks, gaming centres, premium outlets, and other attractions nearby.

As the appointed Marketing & Sales arm for Tropicana Cenang on Langkawi Island, we will be unveiling this beachfront luxury residence cum resort that is fully serviced and has all the modern amenities you'll require as well as the tropical, crystal blue sea at your doorstep.

Langkawi island has more than just beaches, from mountains with gorgeous lookout points just a cable-car ride away, award-winning golf courses to deep-sea aquariums that are fun for the whole family.

You'll love these new developments Tropicana has to offer.

TO RE

art

of

living

EMBARK
INVENT
IMAGINE
VISIT
SHAPE
DEFINE

Steps 1 / 2 / 3 / 4 / 5 /

- Aspire to become employer of choice
- Deliver good shareholder value
- Partner with reputable brands
- Offer quality integrated developments
- Become a trusted brand globally



TwinPines Serviced Suites at Tropicana Grandhill, Genting Highlands

The TwinPines Serviced Suites is the first phase development sited within the integrated 112-acre master-planned development known as Tropicana Grandhill. This residence sits 3,000 feet above sea level and enjoys cool, fresh mountain air, making it a great getaway location or residence for rest and recuperation. Discover more on www.tropicanagrandhill.com



Tropicana Cenang, Langkawi

Tropicana Cenang, the fully-furnished premium seafront residences in Langkawi offers a chance at resort-styled living at a prime address in a holiday destination that is full of great tourist attractions, activities, shopping, and excitement. This freehold resort cum residence is located directly on the popular Cenang beach. Discover more on www.tropicanacenang.com.my



Summit Commercial Hub, Tropicana Uplands, Gelang Patah, Johor

Summit Commercial Hub is the upcoming vibrant business centre located at Tropicana Uplands, Johor. Set to serve a population of up to 50,000 just from the surrounding developments alone, this is a strategic location that is only 15 minutes from Legoland and Educity Iskandar and 30 minutes from Johor Bahru and the 2nd link Singapore-Johor highway. Discover more on www.tropicanauplands.com.my



Freesia Luxury Villas, Tropicana Aman, Kota Kemuning

The Freesia luxury villas are the new jewels in the exclusive integrated township of Tropicana Aman in Kota Kemuning. Experience bungalow-style living in this low-density township. This highly desirable address is centred on a wooded 85-acre central park with a 7-kilometer biking and jogging trail. Discover more on www.tropicanaaman.com.my

OUR COMMITMENT TO EXCELLENCE

The Edge Property Excellence Awards 2020

15 December 2020 The Edge Malaysia Top Property Developer Awards 2020 judged the country's best developers holistically on the grounds of their qualitative and quantitative achievements. Tropicana landed on the prestigious top 10 rankings for the nation's Top Property Developers. Tropicana won the 9th spot in the coveted awards, lending more credence to the company's belief in creating developments that redefine the art of living.



Star Property Awards 2020

29 December 2020 The prestigious StarProperty National Awards 2020 announced the big win for Tropicana for Best Overall Champions in the All-Stars Awards category. This award was judged based on the company's yearly performance. The Business Estate Excellence Award, evaluated with highly stringent criteria, was given to Tropicana Gardens. This is the Group's 4th year in a row in winning the StarProperty All-Stars Awards.



PropertyGuru Asia Property Awards 2020

3 July 2020 The country's finest developers were honoured at the first-ever virtual gala of The 7th Annual PropertyGuru Asia Property Awards (Malaysia). This award celebrated the best projects, design and innovation within the industry in the past year. Tropicana collected eight wins; three awards for the group and another five awards for Tropicana Gardens in Tropicana Indah, Dalia Residences, Tropicana Aman, Tropicana Grandhill in Genting Highlands and the newly-opened Courtyard managed by Marriott Penang.



NEWS & EVENT HIGHLIGHTS

①

Growing Further in Genting Highlands
11 January 2020
Tropicana entered into a strategic collaboration with Cenang Laris ("CLSB") and Valley Talent Solutions ("VTS"). Tropicana acquired 112 acres of land in Genting Highlands to develop Tropicana township in the near future.

②

Tropicana Aids Selangor during Outbreak
30 April 2020
Responding to the COVID-19 outbreak, 200,000 face masks were presented by Tropicana Group Executive Vice Chairman Tan Sri Dato' Tan Chee Sing to Selangor Chief Minister Dato' Seri Amirudin Shari. The donations were handed to the state disaster relief room for distribution to the front line staff.

③

10-TEN Campaign a Terrific Success
22 June 2020
In line with the reintroduction of the Home Ownership Campaign ("HOC"), Tropicana launched the 10-TEN campaign with stamp duty exemptions on Sales and Purchase Agreements ("SPA") low booking fees, zero down payments and double referral rewards. The campaign recorded successful bookings of RM899 million.

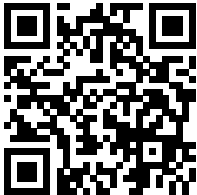
④

Opening of Tropicana Gardens Mall & Relocation of Office
5 March 2020 & 1 July 2020
Tropicana celebrated the grand opening of their latest commercial shopping mall and office tower. The commercial hub in Kota Damansara has approximately 1 million square feet of commercial lots and a towering office complex which also house the newly relocated Headquarters for Tropicana Corporation Berhad. This brings the company's operations closer together in a centralised hub, coordinating the management of their resorts, golf club and many other developments throughout Malaysia.

⑤

RM1.5M in Medical Equipment Donated
4 July 2020
At a brief ceremony in Perdana Putra, Tropicana Group Executive Vice Chairman Tan Sri Dato' Tan Chee Sing contributed RM1.5 million in medical equipment such as ventilators, ultrasound machines and medical suits for COVID-19 relief efforts to hospitals and health departments identified by the Health Ministry.

For more information, visit
www.tropicanacorp.com.my/news
or scan the QR code.



NEWS & EVENT HIGHLIGHTS

- ①

Tropicana Miyu Launched in Petaling Jaya
31 August 2020

Tropicana in a joint-venture with Temokin Holdings Sdn Bhd launched Tropicana Miyu, a 271-unit, 41-storey condominium in Petaling Jaya. With modern settings and spacious interiors, units come semi-furnished with kitchen cabinets, hobs, air-conditioners and digital locks.
- ②

A Towering Landmark in George Town
9 September 2020

Courtyard by Marriott in Penang was opened as the first of its kind in Malaysia, sited at Tropicana 218 Macalister in George Town's bustling business district. It consists of 199 smart and spacious rooms and suites that boast unobstructed views of George Town and the Straits of Malacca.
- ③

The Edelweiss SOFO & Serviced Residences
21 September 2020

Tropicana launched the Edelweiss SOFO (small office/flexible office) & Serviced Residences as the Malaysian property market saw a modest recovery in 2020. This modern development is sited at Tropicana Gardens, Kota Damansara. Properties remained a popular investment given the wide range of new properties available and the government stimulus measures introduced.
- ④

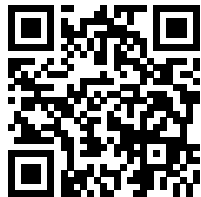
Food Packs of Care & Hope
19 October 2020

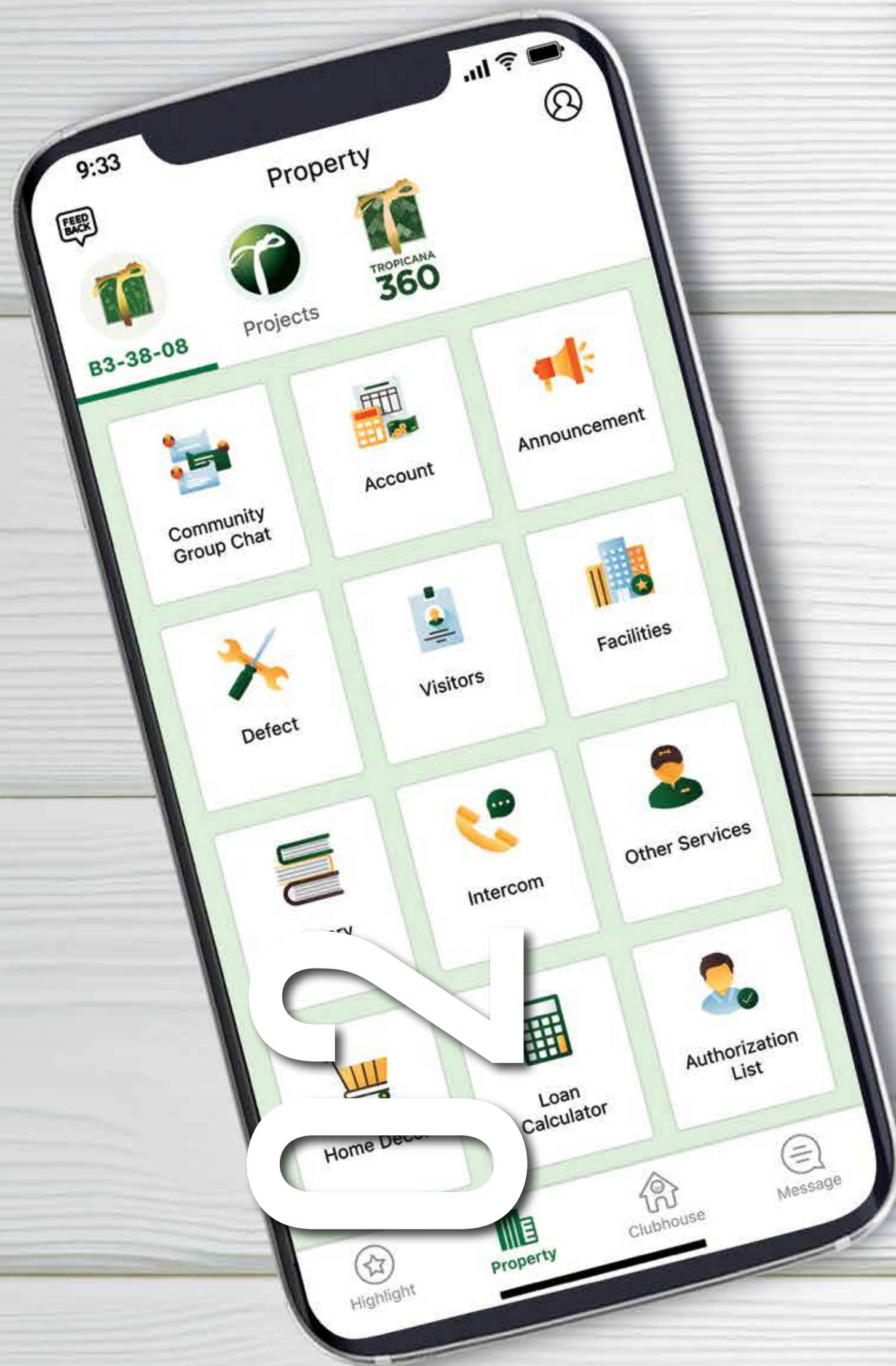
When workers living at the TGCR hostels were quarantined indoors during the EMCO, Tropicana Foundation prepared over 180 care packages with food and essential supplies such as drinks, instant foods, gloves, hand sanitisers and masks to ensure their safety and comfort during the lockdown.
- ⑤

Christmas Cheer for the Children
18 December 2020

Tropicana did not let its spirit of caring and giving dim. Via its charity arm, Tropicana Foundation, the Group hosted a small yet festive celebration for 35 children from the Light House Welfare Home Association. The lunch was complemented by lively entertainment from Santa Claus and his dancers. On top of these, Tropicana also donated essential groceries for the home and new books, toys, and school bags for the children.

For more information, visit
www.tropicanacorp.com.my/news
or scan the QR code.





20

THE ART OF CONNECTIVITY

Tropicana has always pushed the boundaries of connectivity, striving to incorporate every development with multiple entry points. Likewise, we aim to create new connective channels in reaching our customers, such as the Tropicana 360 mobile app, geared for today's tech-savvy home buyers.

STRATEGIC REPORT

- 030 Q&A with the Chairman
- 034 Stakeholders Engagement
- 036 Material Matters at the Group

Q&A WITH THE CHAIRMAN

The year 2020 brought many unprecedented challenges to the economies of the world, with a global health concern that caused many industries and livelihoods to be affected. In this segment, Tropicana's Chairman Tan Sri Dr Lim Wee Chai shared how the Group overcame these challenges and built a more resilient brand in the face of adversity to move the Group forward.

Q1: How has the pandemic impacted the property market and what were the key measures undertaken by Tropicana to ensure business continuity and economic resilience?

A: COVID-19 has changed the way we live, learn, work and play and has also highlighted the need for all of us to pull together to fight this pandemic in our aim to reinstate our nation's economic trajectory. To ensure business continuity and resilience, our management team was quick to respond to the changing market conditions and rolled out a series of customer-centric new developments at strategic locations. We introduced a digital sales campaign to continue customer engagements, to stay agile and afloat. Our strategy was a success, and we recorded healthy bookings and revenue from that campaign.

Despite the volatile and challenging global economy, the International Monetary Fund ("IMF") is projecting Malaysia's economy to rebound by 7% in 2021, supported by both domestic and external demand. However, recovery will be uneven across sectors. We remain optimistic and believe that there is still pent-up demand for well-planned properties in strategic locations.

Q2: What is the importance of having a strong brand that evolves with the times?

A: Since our establishment in 1979, Tropicana has stood the test of time. From pioneering the flagship Tropicana Golf & Country Resort in Petaling Jaya to changing the landscapes in Tropicana Indah, Kota Damansara, Subang, Kota Kemuning, Kajang, Cheras, Penang, Kedah, Pahang, Johor and Sabah, Tropicana has certainly lived up to its brand and mantra of redefining the art of living. Today, Tropicana has become a household name with strong brand equity that continues to grow because we evolve and transform with the times, gaining new audiences over the years. We are humbled and thankful for Tropicana's success and achievements. With the support of our founder, Tan Sri

Dato' Tan Chee Sing, Board of Directors and management team, I am certain Tropicana will continue to march onward and upward.

Q3: How has the pandemic transformed the industry, with the shift to digital marketplaces?

A: We have entered into the age of the fourth industrial revolution ("IR 4.0"). A new wave of digital transformation is occurring, with the pandemic acting as a catalyst for organisations across sectors to fast-track the adoption of digital and cloud-based technologies to survive and thrive in the new normal. At Tropicana, we are embarking on cost efficiency measures, digital realignments, and careful rationalisations of our launches. Our digital transformation drive includes the launch and updates of our Tropicana 360 app, the planned unveiling of our new website and the adoption of a multi-pronged digital campaign to capitalise on new opportunities, both locally and internationally.

TAN SRI DR LIM WEE CHAI
Chairman

Q&A WITH THE CHAIRMAN

Q4: As a community developer, how has Tropicana upheld its commitment to society?

A: We have always contributed towards many charitable causes every year, but we have now reactivated our CSR brand, the Tropicana Foundation and are consolidating all internal and external CSR initiatives under one foundation so we may take our responsibility even further. To date, we have contributed RM5.3 million to 37 underprivileged homes and associations across Malaysia. During the pandemic, as a developer committed to social and stakeholder responsibility we have made every effort to adhere to the Health Ministry's SOPs, working together with the government to curb the spread of the virus while delivering our projects on schedule. Our foundation's initiatives have also continued throughout the MCO,

providing relief and food to orphanages, flood victims and even contributing to national sports programmes. We are mindful that our business activities as a property developer have the potential to impact the environment and ensure we do so positively. Our projects are built with the intent to protect the integrity of the natural surroundings as observed in several of our flagship projects where large parks and green, landscaped areas are designed for people to enjoy the outdoors as nature intended. From a construction aspect, we remain cognisant of the regulatory requirements enforced to protect natural resources and continue to put our best foot forward in identifying and managing any risks or impacts to the environment. I am also pleased to note that our employees are kept abreast of matters related to the pandemic with continuous engagements to remind everyone of their

responsibilities to keep each other safe and healthy. Moreover, we extend our care and gratitude to our employees through our Tropicana Care Pack drive, staff retention plan, and many more initiatives that would assure them of their continued safety and job security while they work with the Company.

Q5: In this challenging market terrain, what is Tropicana's medium and long-term plan?

A: Our mid-term plan is to continue our customer-centric drive, recognising the needs of our purchasers and providing an easy avenue for them to own Tropicana exclusive properties. Our earlier Tropicana 10-TEN campaign and our current Tropicana 100 sales campaign demonstrated our commitment to support property purchasers by providing superb

deals backed by 100% financing from local banks. The recent stimulus package provided by the Malaysian Government, especially the reintroduction of the Home Ownership Campaign ("HOC") 2020 and the real property gains tax exemption unveiled in the short-term Economic Recovery Plan ("PENJANA") will also help stimulate the market. To capitalise on this, our Tropicana 100 sales campaign will help to secure more opportunities for us in 2021. Long-term, we aim to unlock 2,144 acres of landbank across Malaysia with a GDV of over RM77 billion. In the coming years, we can explore the possibilities of expanding Tropicana's foothold in South East Asia and Australia. We are taking our time to assess the right business opportunities at the right valuations that will significantly contribute to our key earnings and sustain our long-term growth.

Q6: Briefly, are there any parties that you would like to acknowledge for Tropicana's performance to date?

A: On behalf of the Board of Tropicana Corporation Berhad, I would like to express my sincere appreciation to our valued shareholders for their unwavering trust and confidence in us. My utmost gratitude goes to the Board Members, Management and employees for their diligence, dedication and commitment to excellence. Despite the unprecedented times, we have managed to deliver encouraging results and we will remain resilient. As we venture forth, we will grow from strength to strength, rising above the challenge and delivering sustainable results.

TAN SRI DR LIM WEE CHAI
Chairman







Peaceful living at Tropicana Heights, Kajang where large parks and green landscape areas are designed for people to enjoy outdoors

STAKEHOLDERS ENGAGEMENT

Engaging with our Stakeholders

As a reputable organisation that has set the tone for property development trends in the country for many years, Tropicana acknowledges the impacts of our business decisions on our stakeholders. Therefore, fostering sustainable stakeholder engagement methods is essential to ensure long term value creation for the business. Our group of stakeholders are considered as representatives that have keen interest in Tropicana’s material matters and

our business operations, underscoring the importance of ensuring a continuous and constructive line of communication. The outcome of these engagements will facilitate us to develop trusting relationships, anticipate challenges, identify upcoming market and consumer trends, and strengthen partnerships that ultimately contribute to long-term sustainable growth and success.

Stakeholder Group	Material Sustainability Matters	Areas of Interest	Methods of Engagement	Frequency of Engagement
Board of Directors 	<ul style="list-style-type: none">Economic PerformanceProducts and Services Responsibility (Social)Employee Management	<ul style="list-style-type: none">Corporate strategyRegulatory complianceInvestment strategyProperty portfolioLong-term growth potential and profitability	<ul style="list-style-type: none">Board of Directors, Audit Committee, Risk Management Committee meetingsNomination Committee and Remuneration Committee meetingsInvestment Committee and Pricing Committee meetings	<ul style="list-style-type: none">Quarterly; additional meetings are held as and when requiredAnnually; additional meetings are held as and when requiredAs and when required
Investing Community 	<ul style="list-style-type: none">Economic PerformanceProducts and Services Responsibility (Social)Energy Efficiency	<ul style="list-style-type: none">Return on InvestmentProperty portfolioBusiness diversityFinancial performanceFuture outlook	<ul style="list-style-type: none">Annual General MeetingAnalyst BriefingsQuarterly Financial Performance ResultsCorporate WebsiteExtraordinary General Meeting	<ul style="list-style-type: none">AnnuallySemi-annuallyQuarterlyContinuouslyAs and when required
Employees 	<ul style="list-style-type: none">Employee ManagementTalent DevelopmentOccupational Safety & Health	<ul style="list-style-type: none">Career development opportunitiesBenefits and remunerationConducive working environmentWelfare considerations	<ul style="list-style-type: none">Human capital development programmesEmployee engagement platformsCompany intranet and newsletters	<ul style="list-style-type: none">MonthlyRegularlyContinuously
Customers 	<ul style="list-style-type: none">Products and Services Responsibility (Social)Occupational Safety & HealthCommunity EngagementEnvironmental ComplianceEnergy Efficiency	<ul style="list-style-type: none">Project features and designProduct qualitySustainable considerationsSurrounding amenities and facilitiesCustomer support	<ul style="list-style-type: none">Customer satisfaction surveyMarketing campaigns and eventsCorporate website and project micrositesSocial and digital mediaTropicana 360 appDirect messaging (SMS and Email/EDM blasts)	<ul style="list-style-type: none">Project basisRegularlyContinuouslyContinuouslyContinuouslyContinuously
Suppliers 	<ul style="list-style-type: none">Procurement PracticesOccupational Safety & HealthContractor ManagementEnvironmental ComplianceEnergy Efficiency	<ul style="list-style-type: none">Fair and transparent supply chain and tendering processContract availabilityProject management approach	<ul style="list-style-type: none">Training and coaching for complianceSupplier meetingsLocal and global supplier sourcing platformsPeriodic performance reviews	<ul style="list-style-type: none">As and when requiredRegularlyContinuouslyAnnually
Governing Agencies 	<ul style="list-style-type: none">Occupational Safety & HealthContractor ManagementEnvironmental ComplianceEnergy Efficiency	<ul style="list-style-type: none">Compliance to regulationsPolicies and frameworks applied to operationsFair and transparent practices	<ul style="list-style-type: none">Formal meetingsPre-consultations	<ul style="list-style-type: none">As and when requiredAs and when required

MATERIAL MATTERS AT THE GROUP

In an effort to create value for our shareholders, we identified key material matters that significantly influences the group's short, medium and long-term performance. Each material matters are then carefully considered and ranked on a matrix to reflect the degree of importance on stakeholder expectations and tropicana's business operations. Annually, the prioritised material matters are closely monitored and benchmarked against regulatory guidelines and market standards through gap analysis, best practices among industry peers as well as the Global Reporting Initiative ("GRI") Standards.

1 PRIORITISATION

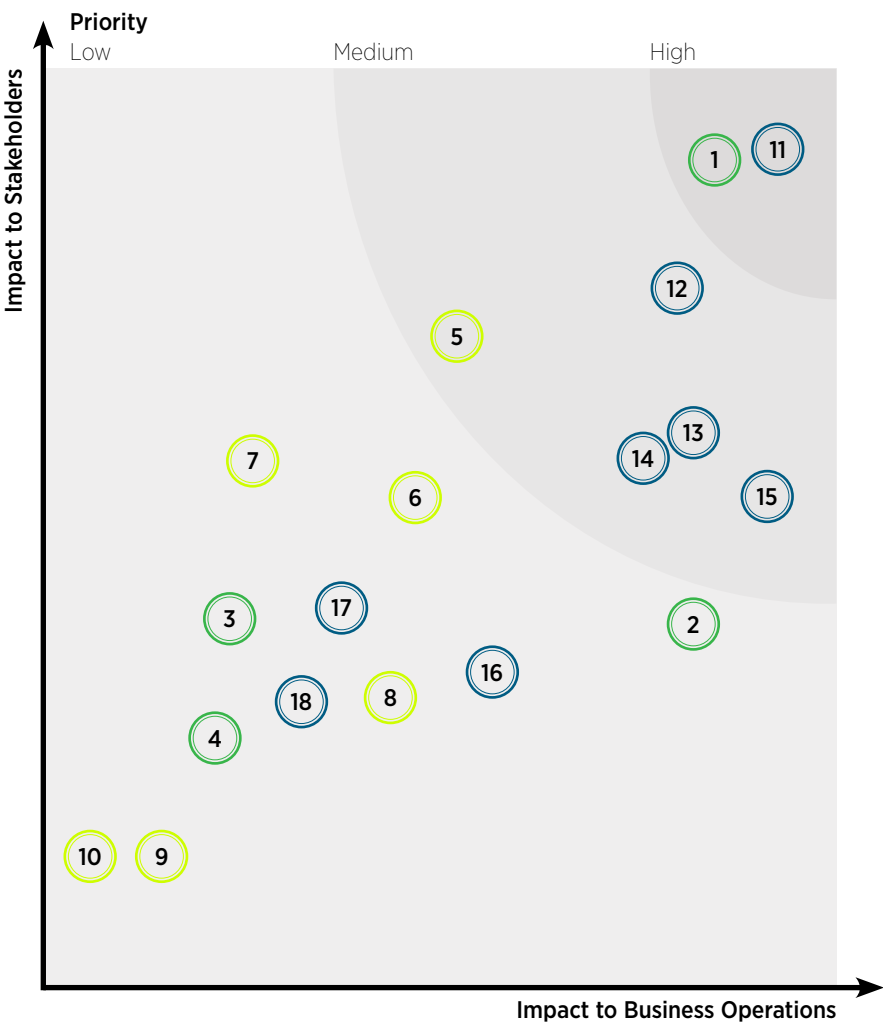
The Group identified and ranked a total of 18 material matters that best reflect the priorities of its stakeholders and business operations.

2 REVIEW

All material matters are subjected to an annual review for its relevance by the Group's Top Management to be disclosed in Tropicana's Annual Report.

3 APPROVAL

Data disclosure of Tropicana's material matters in the Sustainability Statement will be approved and endorsed by the Board of Directors upon review by Top Management.



In classifying our material matters to three key pillars – economic, environment and social, we endeavour to strengthen our commitment to sustainability by highlighting the importance of the top 10 prioritised material matters to Tropicana and identify relevant stakeholders who stand to reap the best benefits out of its value creation. This year, we begin preliminary efforts to align our material matters to the United Nations Sustainable Development Goals ("UNSDGs") by identifying six key goals out of the total 17 that relates most to our business operations. Further details on our journey towards embracing the UNSDGs is presented in our Sustainability Statement (Page 78).

Focus Area	Material Sustainability Matters	Relevant Stakeholder(s)	Importance to Tropicana	Relevance to the UNSDGs
Economic Pillar	Economic Performance	<ul style="list-style-type: none">• Board of Directors• Investing Communities	To achieve long-term business growth that benefits current and future stakeholders alike.	
	Procurement Practices	<ul style="list-style-type: none">• Suppliers	To ensure transparency, fairness, accountability and impartiality throughout the entire procurement process.	
Social Pillar	Products and Services Responsibility	<ul style="list-style-type: none">• Board of Directors• Customers• Investing Communities	To continuously improve the quality of our deliverables and enhance services that exceed the expectations of our customers.	
	Employee Management	<ul style="list-style-type: none">• Board of Directors• Employees	To develop a healthy and productive workforce that represents the Group in an exemplary manner while achieving job satisfaction.	
	Talent Development	<ul style="list-style-type: none">• Employees	To promote a continuous learning environment that enhances the employability of our workforce and provide value-added services to our stakeholders.	
	Occupational Safety & Health	<ul style="list-style-type: none">• Suppliers• Government• Customers• Employees	To protect the well-being of our workforce and ensure the safety of all stakeholders are maintained.	
	Contractor Management	<ul style="list-style-type: none">• Suppliers• Government	To engage with the contractors with values and principles that are aligned to the Group's production outcomes to ensure market demand and expectations are met.	
Environment Pillar	Community Engagement	<ul style="list-style-type: none">• Customers	To encourage the culture of giving back while endorsing harmonious living that uplifts the well-being of the community.	
	Environmental Compliance	<ul style="list-style-type: none">• Government• Suppliers• Customers	To minimise environmental impact via compliance and legislative requirements throughout the Group's supply chain.	
	Energy Efficiency	<ul style="list-style-type: none">• Government• Suppliers• Customers• Investing Communities	To create awareness on responsible energy consumption practices and contribute towards minimising carbon emissions.	

THE ART OF TRANSFORMATION

The transformative quality that is ingrained in our culture also permeates our projects and shapes the landscape. After our flagship development at TGCR, we went on to create townships like Tropicana Metropark, Tropicana Aman, Tropicana Heights, Tropicana Danga Bay, Tropicana Danga Cove and now look to further our expansions in Langkawi and Genting Highlands that set the stage for our future developments.

PERFORMANCE REVIEW

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- 073 Investor Relations
- 074 Quality Assurance

MANAGEMENT

DISCUSSION & ANALYSIS



DION TAN YONG CHIEN
Group Managing Director

“ Despite the unprecedented year and market trends, we remain cautiously optimistic towards the property landscape in Malaysia. We can see that the market is slowly recovering and there is an untapped demand for projects from developers

that have strong brand equity such as Tropicana. We continue to register steady uptakes on our properties and by launching developments that fit the market appetite; we are in a good position to unlock the value of our 2,144 acres of landbank.”



LEE HAN MING
Group Chief Executive Officer

Overview

When COVID-19 broke out in early 2020, the world stood still. COVID-19 was a major “reset” for the world’s economy. The new normal has changed the way of our lives and livelihoods, and how we must prepare for the next normal. This crisis forced a sudden, new way of life upon the world, and the practical ways to adapt. In this Management Discussion and Analysis (“MD&A”) segment, we look at the fundamental ways in which the pandemic has forever altered us by reviewing the market outlook and unveiling our priorities, financial performance, current, and new developments as well as our future road map.

Enjoy the peace and serenity
of Tropicana Grandhill,
Genting Highlands



Tropicana Gardens,
at the heart of Tropicana Indah
in Kota Damansara

MANAGEMENT DISCUSSION & ANALYSIS

Market Outlook

The International Monetary Fund (“IMF”) reported that global prospects remain highly uncertain one year into the pandemic. Global growth is projected at 6% in 2021, stronger than the sharp -3.3% in 2020 which was much worse than during the 2008/09 financial crisis. The upward revision reflects additional fiscal support in a few large economies, the anticipated vaccine-powered recovery in the second half of 2021, and continued adaptation of economic activity to subdue the outbreak. The outlook depends not just on the outcome of the battle between the virus and vaccines — it also hinges on how effectively economic policies deployed under high uncertainty can limit lasting damage from this unprecedented crisis.

Closer to home, Bank Negara Malaysia (“BNM”) projected that Malaysia’s gross domestic product (“GDP”) growth stood between 6% and 7.5% in 2021, slightly higher than 5.6% as reported in 2020. The key factors supporting the growth recovery are improving external demand amid a technology upcycle, less stringent containment measures and the COVID-19 vaccine roll-out, a gradual improvement in labour market conditions as well as a pickup in production from new and existing manufacturing, mining and construction facilities.

The property market has remained resilient throughout the pandemic, being a stable investment. Real estate is a long-term investment and value will not fall off a cliff in most circumstances, but is subject to further yield compression in the short term. The road to recovery moving into 2021 is still an uphill journey and expected to experience a more gradual recovery supported by various stimulus provided by the government, such as the Home Ownership Campaign (“HOC”), real property gains tax exemption unveiled in the short-term Economic Recovery Plan (“PENJANA”), stamp duty waiver to the secondary market and Budget 2021 will help spur the market growth. Ultimately, we hope the vaccine will soon be available for all sectors to get back on track in the new normal.

MANAGEMENT DISCUSSION & ANALYSIS

Our Priorities

Redefining the Art of Living, Sharing & Engaging

For more than 40 years, Tropicana Corporation Berhad ("Tropicana", "Group" or "Company") has carved a name for itself, solidifying its brand name as an exclusive community builder that redefines the art of living by providing integrated master-planned townships that are equipped with all the important amenities, facilities, infrastructure and safety features that add potential investment value to investors and homeowners.

Guided by our unique DNA – *accessibility, connectivity, amenities, facilities, innovative concepts and designs, generous open spaces, multi-tiered security, and quality* – we stayed true to our vision and have since expanded our footprint across Malaysia, namely in the property hotspots such as Central, Southern and Northern regions of Malaysia with our latest additions in Genting Highlands, Pahang, and Langkawi, Kedah.



Staying resilient by leveraging on our brand name & strategic marketing campaigns.



Enhancing cost, compliance, & work efficiency.

The pandemic has also provided a master course to us as we took a deep dive into our core business and underlined the importance of the following practices:



Embracing technology by accelerating our digitalisation journey.



Unlocking our landbank at the right location & right price point.



Improving our gearing by generating more cash from sales, landbank divestment, & increased profitability.



Engaging with our stakeholders & underprivileged community through our Tropicana Foundation.

To this end, we aim to create the perfect Tropicana experience backed by a complete ecosystem & technology that set the stage to become the gold standard for the Group in the months & years to come.

MANAGEMENT DISCUSSION & ANALYSIS

Financial Performance

For the financial year 2020 under review, Tropicana revenue stood at RM1.06 billion, recording a slight dip of 6.5% or RM73.3 million lower when compared with RM1.14 billion posted in the corresponding period in the preceding year. The decrease in revenue in the current quarter reflected lower progress billings across some of the Group's key existing ongoing projects and lower sales as a result of the COVID-19 pandemic. Development activities were halted temporarily upon the enforcement of various movement restriction rulings set by the Malaysian Government.

The Group's PBT for the year ended 31 December 2020 was recorded at RM238.4 million, which was RM129.1 million or 35.1% lower when compared to the corresponding period in the preceding year. This was mainly due to the recognition of the gain on bargain purchase which arose when the Company acquired development lands held by 12 acquiree companies from a related party at a favourable price of an average discount of 13.4% to the market value of these lands and where the corporate exercise to acquire was completed in November 2019.

The Group's profit after tax and minority interests ("PATMI") capped at RM91.3 million for the year ended 31 December 2020. Despite the market conditions, the Group rewarded its shareholders with dividends paid by way of distribution of 4.5 treasury shares for every 100 existing shares held in the Group.

Despite the unprecedented times, the Group delivered encouraging results and recorded higher property sales of over RM800 million compared to 2019 as well as continued to progress with its integrated developments and digital transformation initiatives to improve overall cost and operational efficiencies.

Tropicana's net gearing stood at 0.52 times as of 31 December 2020, as compared to 0.31 times in the previous corresponding year.

Our signature luxurious project overlooking Kuala Lumpur City Centre: The Residences and W Kuala Lumpur Hotel



Market Traction & Future Growth



**10 PROPERTIES,
10 NOT-TO-BE-MISSED
DEALS!**

The pandemic created both opportunities and hardship for the people, companies, and government. The property sector is expected to revive in tandem with the nation's economic recovery. At Tropicana, we are cautiously optimistic about the growth of our Group. Our unbilled sales of RM1.09 billion as of 31 December 2020 provide earnings visibility and sustainability beyond 2020.

We are closely monitoring our key performances and continue to progress by maintaining stringent cost-efficiency measures, digital realignments, and careful rationalisation of our launches. While short-term growth prospects would remain subdued, we believe that there is still pent-up demand for well-planned properties in strategic locations. As an experienced master-planner of integrated developments and townships, we always add a degree of flexibility into our designs as this allows us to adapt and respond to changing customer demands.

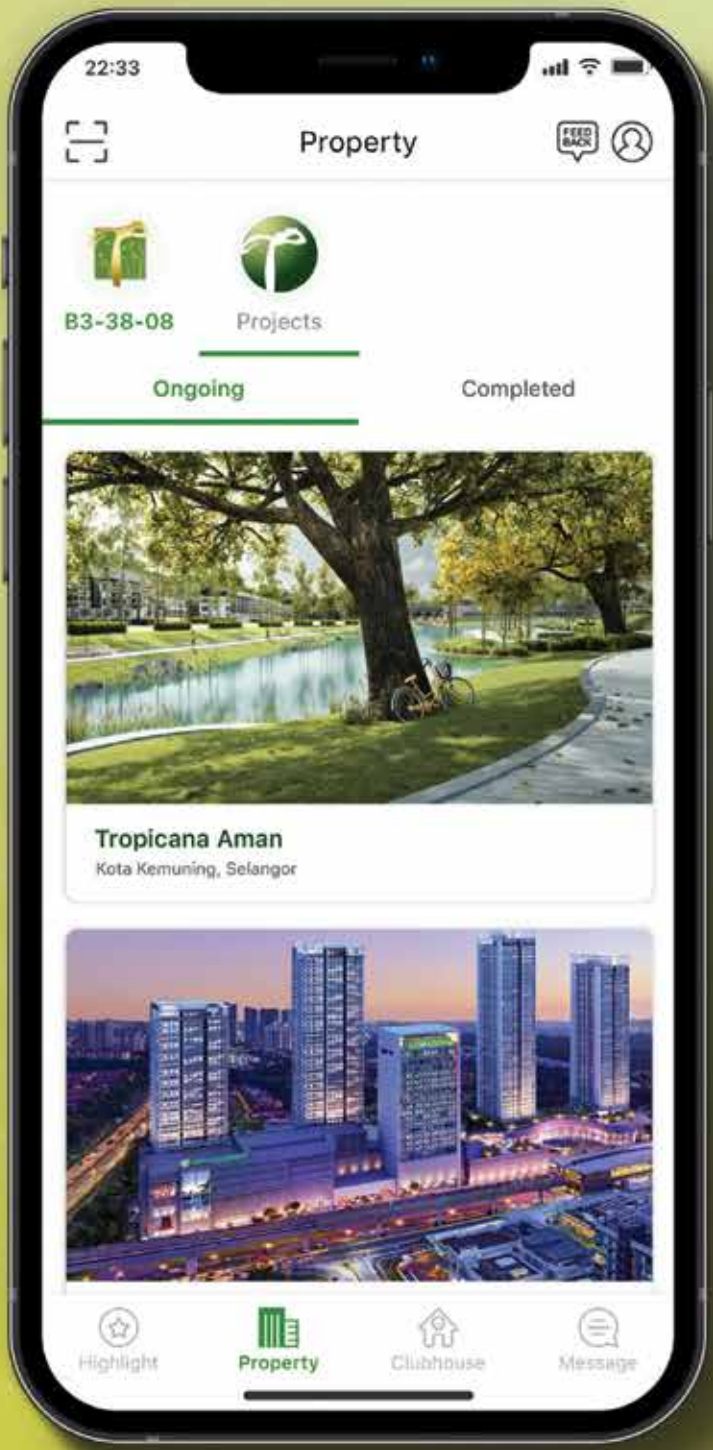
Backed by our unique residential, commercial and resort-themed developments in the Central and Southern region as well as our latest "Tropicana Journey Collection" at Genting Highlands and Langkawi, we are determined to leverage on our brand name and DNA to ensure our businesses could weather the cyclical nature of the property. These two tourist hotspots are Tropicana's first foray into the hillside and premium beachside development which Tropicana serves as the main Marketing and Sales arm for the seafront residences.

To gain market traction, Tropicana 10-TEN campaign was launched in June 2020, with ten signature deals to help lessen buyers' financial burdens and worries on economic uncertainties as well as further spur their confidence in securing their dream homes. Through the "Tropicana 10-TEN" campaign, buyers were given an array of benefits including low booking fee of only RM1,000, flexi-buy, zero down payment, mortgage relief, 10:90 scheme, easy payment scheme, free MOT, moratorium, and double referral rewards. Tropicana 10-TEN was a huge success and recorded an impressive RM899 million in bookings, which was no mean feat during such a challenging year.

To continue the momentum, 2021 will see the launch of Tropicana 100, which allows one to experience 100% art of living – redefining how we live, learn, work and play without breaking the customer's bank account. The Tropicana 100 campaign offers buyers 100% returns on booking fees, 100% interest-free flexibility, 100% legal fees borne, 100% furnishing, 100% financing as well as 100% additional referral rewards for successfully introducing friends and family to purchase a property. We are also embarking on a strategy to clear the balance completed developments through our Tropicana FreeDOM campaign as well as the "HouzKEY" campaign, in partnership with Maybank Islamic.

We want to capitalise on the market needs and trends, offering quality homes complemented with attractive pricing, innovative ownership packages, and facilities, especially for first-time homebuyers. We were determined to explore all options to ensure that we remained agile in response to the market and resilient towards economic uncertainties.

Despite it being a challenging year, there were some positive notes that we can draw from. In the wake of the pandemic, our team has forged a stronger network with our property owners, purchasers, and members. We have embraced technology and make more coordinated efforts to improve all our digital platforms in our aim to accelerate growth. Throughout 2020, our internal IT team together with our Marketing and Sales team have worked tirelessly to create Tropicana 360 App, hailed as the most comprehensive developer app in Malaysia. The Tropicana 360 app can be used not only by our property owners but by our club/golf members, too! This incredibly comprehensive app boasts over 16 key features that provide maximum convenience and a one-stop platform for Tropicana homeowners – from pre-sale assistance to completion, vacant possession, billings to bookings. This app truly epitomises 'All Things Tropicana', providing the ultimate Tropicana experience to our homeowners and users. We will also revamp our Tropicana corporate website, padding up more info from the past, present, and future developments of the Group.



All Things Tropicana

Your Home Ownership Companion

The most comprehensive developer app in Malaysia – covering the entire homeowner journey from prior to signing of SPA to after a buyer becomes a resident. Truly be a part of the Tropicana family and stay abreast with the latest updates and information. The app provides you the convenience to manage your property and lifestyle at your fingertips – anytime, anywhere.

Now Available In



Unlocking Our Landbank

In 2020, Tropicana purchased 35 parcels of strategic landbank, measuring 176 acres at Genting Highlands for RM348.6 million. To further expand Tropicana's footprint and enhance its property development profile at Genting Highlands, the Company is in the midst of acquiring another two parcels of adjoining freehold land next to its Tropicana Grandhill development in Bentong, Pahang, for RM402.49 million.

Tropicana has also expanded its presence to Langkawi as the appointed Marketing and Sales arm for the Tropicana Cenang development, fully-furnished premium seafront residences catering to tourists and silver hair group.

Overall, Tropicana's total landbank stood at 2,144 acres, with a total potential GDV of over RM77 billion, placing the Group in a good position to unlock the value of its strategic landbank and deliver sustainable earnings in the next few years.

Your next holiday home at the beautiful
Tropicana Cenang, Langkawi

MANAGEMENT DISCUSSION & ANALYSIS

Launched Developments

For the year 2020, the Group rolled out a series of new developments with a total GDV of approximately RM700 million across its signature Tropicana townships. The new launches include Tropicana Miyu condominiums at Petaling Jaya and Shoppes & Residences (South), a mixed development comprising retail lots, and serviced apartments at Tropicana Metropark, Subang Jaya.



**TROPICANA
MIYU**
PETALING JAYA

TROPICANA MIYU RESIDENCES Sep 2020

Acres 1.9

GDV (RM' mil) 261

Total Units 271

Unit Type Residences

Embrace the Good Life at Petaling Jaya

Located in the mature neighbourhood of Seksyen 17, Petaling Jaya, Tropicana Miyu was launched in 2020. These freehold and low-density 271 units of residences offer a modern setting, where one can enjoy the comforts of a strategic location complemented by all conveniences in the heart of Petaling Jaya. This joint development between Tropicana and Temokin is expected to be completed by 2024.



**TROPICANA
METROPARK**
SUBANG JAYA



SHOPPES (SOUTH) Mar 2020

Acres 4.1

GDV (RM' mil) 137

Total Units 69

Unit Type Retail Shops



RESIDENCES (SOUTH) Mar 2020

Acres 4.1

GDV (RM' mil) 299

Total Units 656

Unit Type Serviced Residences

Metropolis Living at Subang Jaya

Tropicana Metropark is the largest freehold integrated township in Subang Jaya, combining the best of residential and commercial components. With close proximity to GEMS International School and a verdant 9-acre central park, this 88-acre development is a well-connected sanctuary with direct access from Federal Highway. Enjoy high-rise living at Residences (South), perched atop the up-and-coming commercial hub of Shoppes (South) – both sited on 4.1 acres of land. Consisting of 656 units of serviced residences and 69 units of retail shops, this development is expected to be ready by 2024.

MANAGEMENT DISCUSSION & ANALYSIS

The New Pulse of Kota Damansara

The Group also continues to record an excellent uptake for Edelweiss SOFO and Serviced Residences, the fifth and final tower of its signature Tropicana Gardens development



056

Edelweiss SOFO & SERVICED RESIDENCES

Acres	2.35
GDV (RM' mil)	855
Total Units	1,027
Unit Type	SOFO & Serviced Residences

A Green Haven at Kota Damansara

Edelweiss SOFO & Serviced Residences at Tropicana Gardens is located on 2.3 acres of land, with a potential GDV of RM855.2 million. Edelweiss SOFO & Serviced Residences comes with different product offerings and price points to suit consumers' varying income levels.

It is surrounded by a variety of amenities such as St. Joseph's Institution International School (Tropicana PJ Campus), SEGi University, Thomson Medical Centre, and a large array of shopping malls. Residents also have access to a pedestrian bridge that will connect them directly to Tropicana Gardens Mall, the central hub as well as the Surian MRT station. Consisting of 1,027 units of serviced apartments and SOFO units, this development is expected to be ready in 2024.



Net Lettable Area (sq ft)	Approximately 1 mil
Gross Floor Area (sq ft)	Approximately 1.4 mil

On the retail segment, Tropicana unveiled Tropicana Gardens Mall in 2020, which has a net lettable area of about one million square feet. Strategically located in the mature area of Tropicana Indah at Kota Damansara, Tropicana Gardens Mall is easily accessible via four major highways, offering good connectivity as it is just 50m from the Surian MRT with a variety of amenities all just within reach. Catering to the community at Tropicana Gardens as well as those in the vicinity, Tropicana Gardens Mall has established a good tenant mix, with its retail space take-up reaching 68%.

Tropicana Gardens Mall is home to many local and international brands like Starbucks Reserve, the largest Starbucks Reserve store in Malaysia, Thai Odyssey, Qi Odyssey, Village Grocer, H&M, Defacto, HLA, Adidas, Puma, BookXcess, Co-Labs, Restaurant Extra Super Tanker, Royce Chocolate, Mr DIY, Sports Direct, and more. New tenants that will be opening soon are JONETZ by Don Don Donki and Taco Bell.



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Tropicana Gardens Mall,
vibrant shopping haven
at Kota Damansara

MANAGEMENT DISCUSSION & ANALYSIS

Upcoming Development

Moving into 2021, we will continue to redefine the art of living by building wholesome townships for the community to live and prosper. In the next 12 months, we aim to introduce new developments and phases amounting to a GDV of approximately RM2 billion at strategic locations to sustain our growth performance and provide recurring income.



Holistic Township at Kota Kemuning

Freesia Residences, a contemporary villa series comprising of Lake Villas and Park Villas in Tropicana Aman, Kota Kemuning. This highly desirable address is centred on a sprawling, wooded 85-acre park including a 5-acre recreational hub with a 7-kilometer biking and jogging trail weaving around it. Designed for modern comfort and prestige, these spacious villa series of semi-detached homes range from 3,770 to 5,354 square feet and are poised to become the next sought-after investments for the affluent crowd and residences for young, urban families looking for their dream home.



At the Heart of Commerce in Johor

Summit Commercial Hub is the latest vibrant business centre located at Tropicana Uplands in Gelang Patah, Johor. Set to serve a population of up to 50,000 just from the surrounding developments alone, this is a strategic location that is only 15 minutes from Legoland and Educity Iskandar and 30 minutes from Johor Bahru and the 2nd link Singapore-Johor highway. The Summit Commercial Hub is in all aspects designed to take advantage of the height of the traffic flowing from the many upcoming residences around it and the major north-southern routes.



Homes by the Hill at Genting Highlands

The TwinPines Serviced Suites is the first phase development seated within the integrated 112-acre master-planned development known as Tropicana Grandhill in Genting Highlands, Pahang. This brand-new highland city is crafted for your elevated lifestyle ideals. This residence sits 3,000 ft above sea level and enjoys cool, fresh mountain air, making it a great getaway location or residence for rest and recuperation. Tropicana Grandhill's master plan is intended to cater to a wide variety of customers and residents from all walks of life including students at the planned centres of education and having a particular attraction for silver hair communities with the many health and wellbeing businesses that will be operating from this idyllic place.



Homes by the Sea at Langkawi

Tropicana Cenang, the fully-furnished premium seafront residences in Langkawi offers a chance at resort-styled at a prime address in a holiday destination that is full of great tourist attractions, activities, shopping, and excitement. This freehold resort cum residence is located directly on Cenang beach, the largest and most popular beach on Langkawi with all the daily essentials and amenities residents need just a stone's throw away. Tropicana Cenang itself will have plenty of facilities and a professional management team to ensure that guests and residents feel at home.

Investment Properties

Tropicana's investment properties that provide the Group with recurring income consist of St. Joseph's Institution International School Malaysia (Tropicana PJ Campus) ("St. Joseph" or "SJIIM") located at Tropicana Indah Resort Homes, GEMS International School at Tropicana Metropark, Tenby International School at Tropicana Aman and the lifestyle mall, Tropicana Gardens Mall.

St. Joseph's Institution International School was launched in August 2016 and currently has over 800 students, with a maximum capacity of 1,770 students. With a Gross Floor Area ("GFA") of 423,000 square feet, it is one of the top international schools in Malaysia, catering to the communities of Tropicana Indah and the surrounding areas.

GEMS International School is located in Tropicana Metropark on a 5-acre plot. This international school is fully equipped with a full-size elevated, artificial turf football field, a sports hall, a swimming pool, numerous specialist classrooms and labs, a dance studio, a black box theatre, and various shared learning spaces to stimulate the minds and creativity of their students.

Tenby International School, which is built on 10.4 acres of land within Tropicana Aman provides quality international education to the residents at the development and the surrounding communities. Tenby offers international student-oriented programmes for students aged from 3 to 18, including International Primary Curriculum, National Curriculum for England, IGCSEs, and A-Level programmes.

St Joseph's, GEMS International School, and Tenby International School continue to perform well, providing well-rounded, balanced educations for local and international students.



ST JOSEPH'S INSTITUTION
INTERNATIONAL SCHOOL MALAYSIA
(TROPICANA PJ CAMPUS)



GEMS
International School
TROPICANA METROPARK



TENBY EDUCARE
SCHOOLS

Tropicana Experiential Hall in Tropicana Gardens Office Tower

Awards & Accolades

The Group's ability to design and shape integrated living environments that meet the needs of consumers garnered us several notable industry awards such as The Edge Malaysia Top Property Developer Awards 2020's list of the country's best developers, judged holistically on the grounds of the qualitative and quantitative achievements to decide on the top 10 rankings for the nation's Top Property Developers. Tropicana landed the 9th spot in the coveted awards, lending more credence to the company's belief in creating developments that redefine the art of living.

The prestigious StarProperty National Awards 2020 have also announced the big win for Tropicana Corporation Berhad for Best Overall Champions in the StarProperty All-Stars Awards category, judged by the company's yearly performance as well as The Business Estate Excellence Award for outstanding commercial developments, evaluated with highly stringent criteria, to Tropicana Gardens.

Tropicana also nabbed multiple accolades from the Asia Property Awards 2020 for Best Property Developer, Best Mixed-Use Development for Tropicana Gardens, Best High-End Condo Development for Tropicana Grandhill, Best Hotel Development for Courtyard by Marriott, Penang, and numerous others.

MANAGEMENT DISCUSSION & ANALYSIS

Tropicana Foundation



Over the last 30 years, Tropicana's Founder, Tan Sri Dato' Tan Chee Sing has been the key driver and backbone of all charity initiatives and he did so, anonymously.

In 2011, Tropicana Foundation was established dedicated to improving the lives of the underprivileged society as well as supporting social and environmental problems. This Foundation funds a range of programs around Malaysia, from the foodbank, health, education, recycling to employees' engagement.

Today, reinvigorated with our new logo, Tropicana Foundation remains committed to the global struggle as well as extending its reach to underprivileged society in Malaysia. The founding charter of the Foundation stated that resources should be used "for health, educational, social and charitable purposes" and it is in that spirit that the organisation continues.

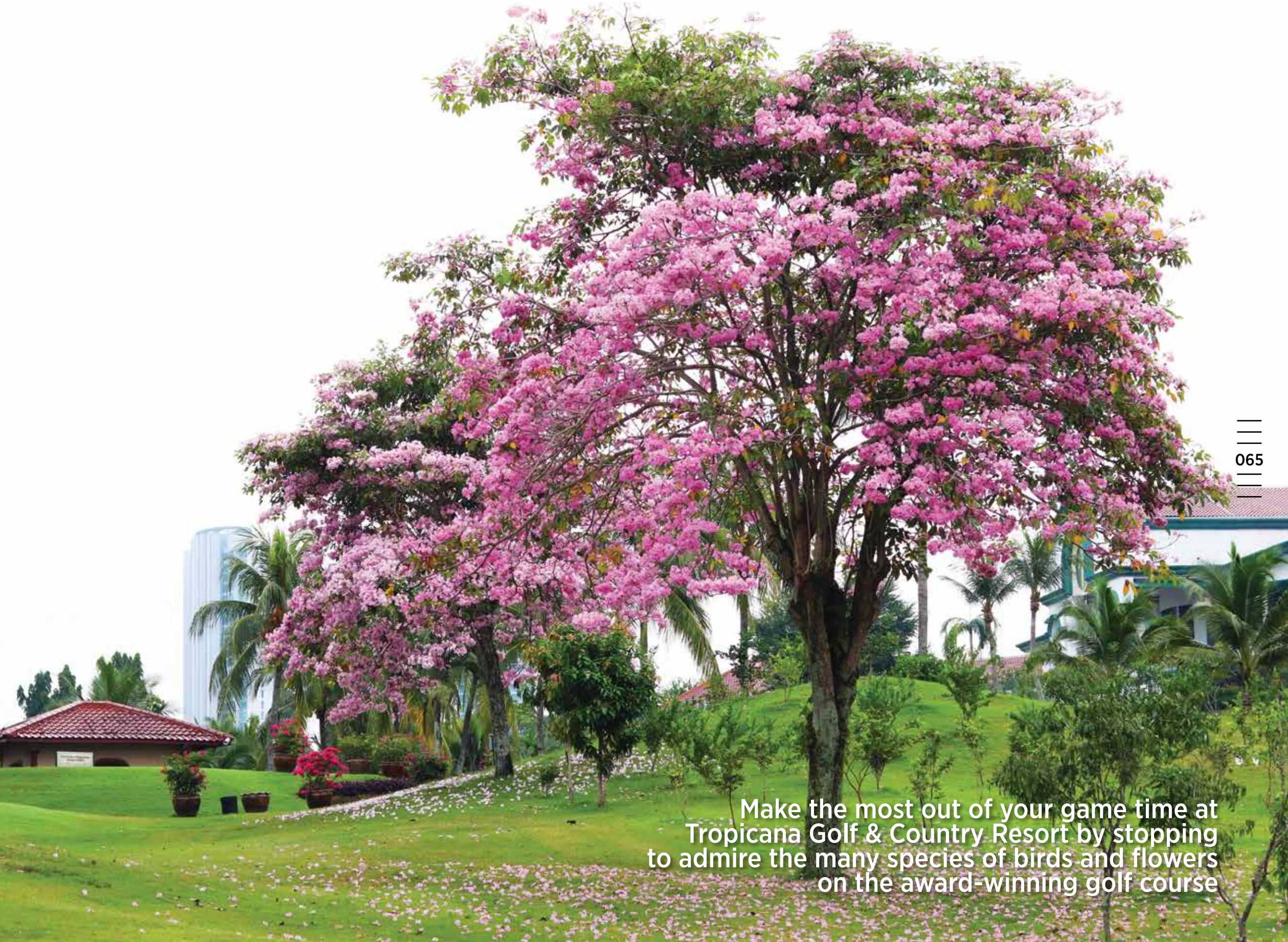
As of 2020, we have contributed over RM5.3 million in cash and other donation initiatives from packed meals to dry goods to over 37 underprivileged homes and associations all across Malaysia.

Internal

Employees Engagement

The members of Tropicana are a close-knit family, and in caring for our 1,300-strong workforce around the country, the Tropicana Foundation has many initiatives for the internal welfare of our employees. Our initiatives have gone out towards them in showing gratitude to everyone for their contributions to the company, and each other and we continue to commit our heartfelt dedication towards our large, extended family.

- 1 Tropicana Foundation provided care packs containing masks, hand sanitisers, and personal cutlery sets in the recent pandemic to our employees nationwide.
- 2 When workers living at the TGCR hostels were quarantined indoors during the EMCO, Tropicana Foundation prepared over 180 care packages with food and essential supplies such as drinks, instant foods, gloves, hand sanitisers, and masks to ensure their safety and comfort during the lockdown.



Make the most out of your game time at Tropicana Golf & Country Resort by stopping to admire the many species of birds and flowers on the award-winning golf course

MANAGEMENT DISCUSSION & ANALYSIS



External

Environment

With more people becoming more aware of the need to recycle towards a greener future, Tropicana partnered with iCycle Management to establish community-based recycling programmes at its developments, namely Tropicana Aman, Tropicana Gardens, Tropicana Avenue, Tropicana Heights, and Tropicana Metropark. The items collected included fabric-based (clothes, shoes, bags, and even soft toys) materials, paper, plastic, computer parts, metal as well as electrical and electronic products. Exciting giveaways such as iCycle Carbon Vouchers, shopping vouchers, and cash rewards were introduced to encourage residents to be part of this recycling programme. Since its launch in December 2019, more than 1,300kg of waste has been collected for recycling.

Underprivileged Society

Throughout 2020, Tropicana Foundation also donated to over 37 various homes and NGOs in its aim to uplift and improve the lives of the underprivileged society as well as supporting social, health, and environmental problems.

Following are a few of the key initiatives:

- 1 RM1.5 million worth of medical equipment and hazmat suits were donated to the Health Ministry to support COVID-19 relief efforts which were distributed to hospitals and health departments.
- 2 RM50,000 donation was channeled to Malaysia Aids Foundation for their Royal Red Ribbon GALA in collaboration with the Ministry of Health.
- 3 RM50,000 donation was channeled to the charity dinner for "We Are One Family" COVID-19 Relief Program hosted by Taiwan Buddhist Tzu-Chi Foundation Malaysia.
- 4 200,000 face masks were presented to Selangor Chief Minister Dato' Seri Amirudin Shari. The donations were handed to the state disaster relief room for distribution to the front liners.
- 5 Tropicana hosted a small yet festive celebration for 35 children from the Light House Welfare Home Association. The lunch was complemented by lively entertainment from Santa Claus and his dancers. On top of these, Tropicana also donated essential groceries for the home and new books, toys, and school bags for the children.

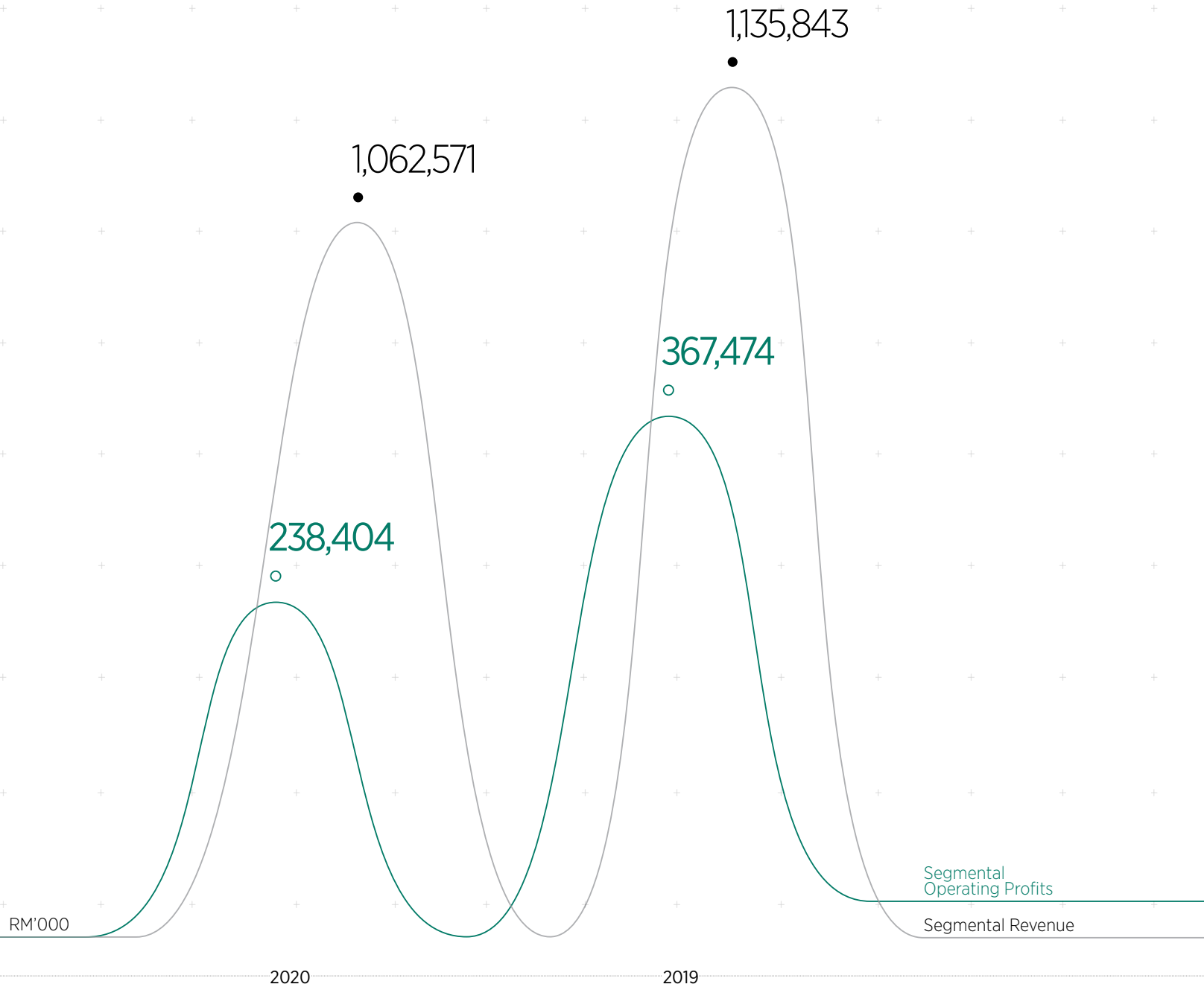
The newly completed Paisley Serviced Residences at Tropicana Metropark, Subang Jaya

Appreciation

We would like to extend our deepest appreciation on behalf of the Board of Directors and the management team of Tropicana, to our shareholders and stakeholders for their continued dedication and loyalty. We would also like to express our gratitude to our team of dedicated employees at Tropicana and thank all of our customers for their unwavering support and commitment throughout this challenging environment.

2020 has brought us new challenges that led to us reinforcing our foundations and realigning our future growth. We look towards the future from a position of strength as the next 12 months will be focused on driving competitive advantage, execute on our commitment and continue to redefine the art of living for the community, locally and abroad.

PERFORMANCE AT A GLANCE



	Segmental Revenue		Segmental Operating Profits	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Property Development and Property Management	901,663	900,489	430,225	188,432
Property Investment, Recreation and Resort	95,274	146,210	(110,593)	(64,039)
Investment Holding and Others	65,634	89,144	(81,228)	243,081
	1,062,571	1,135,843	238,404	367,474



FINANCIAL HIGHLIGHTS & INSIGHTS

Key Financial Highlights for Financial Year
Ended 31 December 2020



Total sales of
RM802.4 million



High unbilled sales of
RM1,089.0 million



Net gearing increased from
0.31x (2019) to **0.52x** (2020)

Group Financial Review

	FY2020	FY2019
	RM'000	RM'000
Revenue	1,062,571	1,135,843
Profit before tax ("PBT")	238,404	367,474
Profit attributable to owners of the parent ("PATMI")	91,307	320,759

In 2020, the global COVID-19 pandemic has imposed unprecedented disruptions on the Group's operations where many governments around the world, including Malaysia, had imposed various phases of lockdown as a preventive measure to curb the outbreak. Despite the uncertainties brought on by the COVID-19 pandemic, the Group achieved a higher total sales of development properties of RM802.4 million for the financial year ("FY") 2020 as compared to FY2019 on the back of an aggressive marketing and sales campaign, particularly via digital sales channels. The strong sales performance has sustained the Group's unbilled sales at RM1,089.0 million as at 31 December 2020, where the level of such unbilled sales places the Group in a comfortable position to deliver sustainable earnings performance in the coming year.

The Group's revenue in FY2020 stood at RM1.06 billion compared to RM1.14 billion in FY2019. The performance was in line with expectations as the current economic environment has been very challenging and uncertain. The property market in Malaysia continues to face a multitude of headwinds such as the continued softening of the market, property overhang and housing loan eligibility issue, which has been further exacerbated by the unprecedented COVID-19 pandemic. However, the Group's steady construction progress as well as the Malaysian Government initiatives such as the Home Ownership Campaign 2020 under the Short-Term Economic Recovery Plan ("PENJANA") together with the reduction of the Overnight Policy Rate from 3.00% to 1.75% in FY2020 as an effort by Bank Negara Malaysia has partially mitigated these weak sentiments.

The Group's PBT decreased to RM238.4 million from RM367.5 million in FY2019 and profit attributable to owners of the parent in FY2020 was RM91.3 million compared to RM320.8 million in FY2019. The lower PBT and PATMI were mainly attributable to the recognition of a one-off gain on bargain purchase in FY2019 which arose when the Group acquired development lands held by twelve acquiree companies from a related party at a favourable price of an average discount of 13.4% to the market value of these

lands and where the corporate exercise to acquire was completed in November 2019. Besides that, the results also reflected the challenges in the business environment amid the COVID-19 pandemic in FY2020.

With unbilled sales of RM1,089.0 million and strategic approaches to unlock the value of 2,144.0 acres of prime land with potential gross development value in excess of RM77.0 billion, the Group is expected to be on track to register positive earnings in FY2020.

Although the industry remains challenging in the short term, the Group believes that there will still be demand for properties in prime locations in Tropicana's established, matured and developing townships, with attractive pricing and innovative ownership packages and offerings, especially first time house buyers. Therefore, the Group will continue to focus on being market-driven in its product offerings whilst continuing to unlock the value of its land bank, at strategic locations across the Klang Valley, Genting Highlands and Southern Regions.

In FY2021, the Group plans to introduce new developments and phases across its signature Tropicana townships amounting to a GDV of approximately RM2.0 billion. The upcoming launches include the first phase of Tropicana Grandhill, the TwinPines Serviced Suites with fully furnished serviced apartments in Genting Highlands; Freesia Residences, a contemporary villa series comprising of Lake Villas and Park Villas at Tropicana Aman, Kota Kemuning; a mixed development comprising retail lots and serviced apartments at Tropicana Heights, Kajang; and Summit Commercial Hub, the latest vibrant business centre located at Tropicana Uplands in Gelang Patah, Johor.

Detailed analysis of the various business segments are as follows:

Property Development & Property Management

The property development and property management segments remain the key contributor to the Group's revenue, generating RM901.7 million for the full financial year, increased by 0.1% or RM1.2 million from RM900.5 million in FY2019. The segmental operating profit was higher by 128.3% or RM241.8 million to RM430.2 million from RM188.4 million in FY2019. The higher segmental profit was contributed by recognition of one-off fair value gains on investment properties of RM150.9 million.

Overall, this segment continued to be the main contributor to total Group revenue at 84.9%.

Property Investment, Recreation & Resort

The Group revenue from the property investment, recreation & resort segment recorded at RM95.3 million as compared to RM146.2 million in FY2019, which decreased by RM50.9 million or 34.8%. This was mainly due to many countries having imposed significant restrictions on people's freedom of movement and on hospitality operations in order to curtail the COVID-19 pandemic which resulted in the hotels being closed for several months in FY2020.

This segment reported a loss at RM110.6 million as compared to loss of RM64.0 million in FY2019 which was attributed to the one-off impairment loss of W KL and Courtyard by Marriott Penang amounting to a total of RM33.7 million.

Overall, the base earnings from this segment continue to remain at sustainable levels through recurring incomes of its investment properties.

Investment Holdings & Others

The Group revenue from this segment stood at RM65.6 million in FY2020 as compared to RM89.1 million in FY2019; a decrease of RM23.5 million or 26.4%. The revenue from this segment continues to remain at sustainable levels which are contributed from a few subsidiaries namely Tropicana Building Materials Sdn Bhd, Tropicana Innovative Landscape Sdn Bhd and Tropicana SJII Education Management Sdn Bhd. The segmental profit has decreased significantly by RM324.3 million mainly contributed by the recognition of a one-off gain on bargain purchase in FY2019 subsequent to the completion of the corporate exercise in November 2019 whereby there was no such one-off gain in FY2020.

Group Capital Structure

	FY2020	FY2019
	RM'000	RM'000
Shareholders' Equity	4,706,181	4,661,982
Total Equity	5,759,306	5,648,688
Gross Borrowings	3,596,771	2,519,115
Cash and Bank Balances	621,892	754,949
Net Borrowings	2,974,879	1,764,166
Gross Gearing ratio	0.62	0.45
Net Gearing ratio	0.52	0.31
Net Assets Per Share (RM)	3.22	3.20

Overall, our balance sheet as at 31 December 2020 remained strong with total cash and bank balances and total equity of RM621.9 million and RM5,759.3 million respectively. The Group is well positioned to continue implementing its planned growth strategies. The total equity of the Group improved by 2.0% or RM110.6 million to RM5,759.3 million as at 31 December 2020. The improvement was mainly due to the satisfactory performance and higher retention of the current profit.

The gross gearing and net gearing of the Group has increased as compared to 31 December 2019 being 0.62x (2019: 0.45x) and 0.52x (2019: 0.31x) respectively due to issuance of Islamic Medium Term Notes of RM1,207.0 million during FY2020.

The Group is expected to continue its satisfactory performance in FY2021 amid a more challenging business environment driven by the momentum created from the Group's stellar performance in FY2020 and the various pipelines of on-going projects. While prospects for the property sector remains challenging in the short-term, the Group believes that there will still be demand for properties in prime locations that have accessibility to superb amenities and competitive pricing.

VALUE ADDED STATEMENT

	2020	2019
	RM'000	RM'000
Value Added		
Total turnover	1,062,571	1,135,843
Purchases of goods and services	(456,365)	(499,654)
Value Added by the Group	606,206	636,189
Share of results of an associate	6,046	819
Share of results of joint ventures	(1,168)	11,258
Total Value Added	611,084	648,266

Reconciliation :		
Profit attributable to owners of the parent	91,307	320,759
Add :		
Depreciation and amortisation	34,890	37,045
Finance costs	164,287	75,850
Salaries and other staff costs	173,503	167,897
Corporate taxation	91,847	28,139
Holders of perpetual bond	17,361	4,661
Non-controlling interests	37,889	13,915
Total Value Added	611,084	648,266

VALUE DISTRIBUTED

Employees		
Salaries and other staff costs	173,503	167,897
Government		
Corporate taxation	91,847	28,139
Providers of capital		
Dividends	53,829	78,134
Finance costs	164,287	75,850
Holders of perpetual bond	17,361	4,661
Non-controlling interests	37,889	13,915
Reinvestment and growth		
Depreciation and amortisation	34,890	37,045
Income retained by the Group	37,478	242,625
Total Distributed	611,084	648,266

INVESTOR RELATIONS

Malaysia's momentum in economic recovery in 2020 was affected by the resurgence in COVID-19 cases during the last quarter of 2020 and the re-introduction by the Malaysian government on the targeted containment measures and also the movement control order throughout the country. However, as most economic sectors have been allowed to continue to operate, subject to strict standard operating procedures, the impact is unlikely to be as severe as the containment measures during the first quarter of 2020.

Guided by our unique strategy, we are covering several property sub-segments by launching a variety of products to cater to the different needs of house buyers and property investors at strategic locations, instead of focusing on a single market segment or a single category of customers. In the effort of driving sales for the on-going projects, Tropicana has launched the Tropicana 100 campaign from 20 January 2021 to 30 June 2021. The campaign offers 100% returns on booking fees, interest-free flexibility, legal fees borne, furnishing, financing as well as additional referral rewards. Tropicana has subsequently in April 2021, also launched the Tropicana FreeDOM campaign for some of the completed projects, that offers savings on move-in-ready units. It allows buyers to enjoy zero down payment, up to 50% rebates, 100% financing with Maybank Islamic's HouzKEY programme, 2% referral rewards for the customers by introducing the properties to their family and friends, as well as free maintenance of up to 10 years.

The financial period under review is a twelve month period which ended on 31 December 2020. Throughout the financial year, we remained committed to disseminate the complete, transparent and timely information to the market about its financial performance, business operation and prospects. At Tropicana, we value the relationships we have with our stakeholders. We strike to provide latest updated information on the Company to the stakeholders. The Tropicana corporate website at www.tropicanacorp.com.my serves as a platform for key qualitative and quantitative information on Tropicana.

Due to stricter containment measures by the government, the Group's 41st Annual General Meeting was held on a fully virtual basis on 9 September 2020 where it served as a platform to share updates as well as to address any concerns from our shareholders.

The Tropicana IR team also maintains the Group's IR page on the corporate website for easy data dissemination as well as an avenue to engage with shareholders and stakeholders on a regular basis. This site encompasses the Group's annual reports, quarterly financial results, Bursa Malaysia announcements and share information. This is to ensure that the general public would have easy access to the Group's financial information through this site which enables them to make a fair, balanced and informed assessment on the Group's position and prospects.

Tropicana is a member of the Malaysian Investor Relations Association (MIRA) that keeps us updated on the current industry best practices and at the same time, maintain relationships with the community.

Contact Our IR Team

Analysts, current and potential investors who have any questions or would like to provide feedback on the Company are encouraged to contact our IR Team:

Email: ir@tropicanacorp.com.my
Tel: +603 7663 6888
Fax: +603 7663 6688

Tropicana
Gardens Mall

QUALITY ASSURANCE

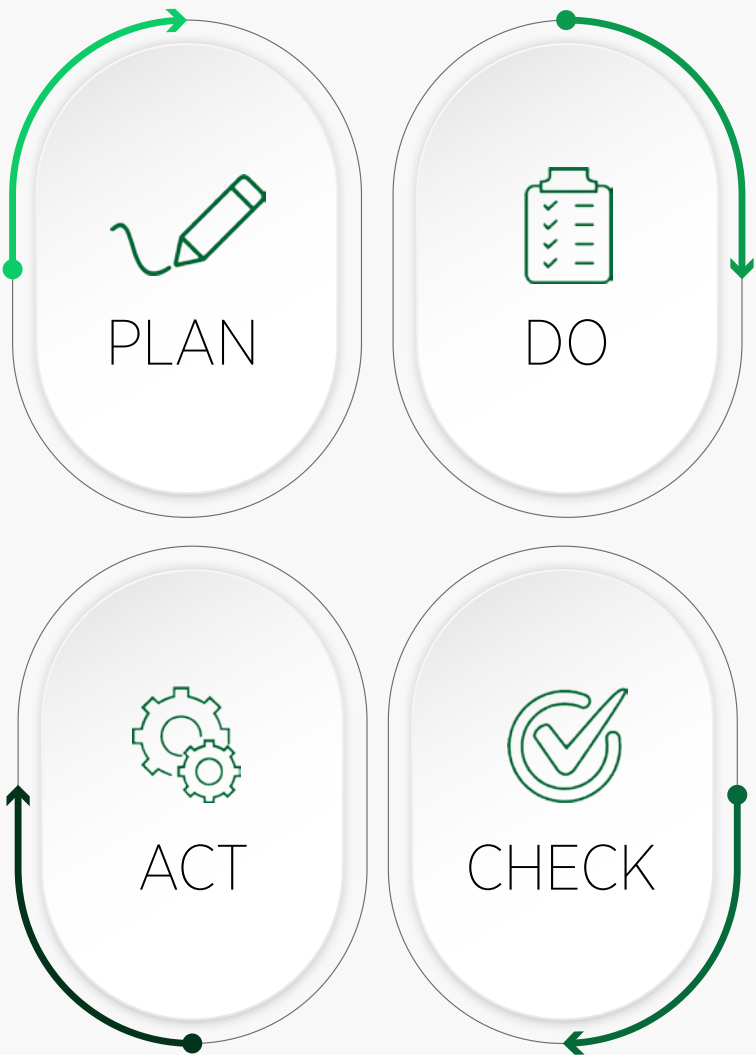
Quality is a continuous process of building and sustaining relationships by assessing, anticipating and fulfilling stated and implied needs. It forms the platform for efficient management and operation across various departments. Adhering to quality standards ensures continuous improvements and invigorates parallel advancement made in processes and technology. Quality excellence has always been Tropicana's core focus and a key component in achieving customer satisfaction.

In line with our quality policy, Tropicana will continue to:

- Review the effectiveness of the Quality Management System and strive to meet customers' expectations;
- Comply with statutory, regulatory and MS ISO 9001 regulations and seek continuous improvement in Tropicana's Quality Management System
- Enhance the skills and knowledge of Tropicana staff through continuous coaching and training; and
- Ensure a safe, healthy and conducive work environment at all times.

Continuous Quality Improvement Process

In Tropicana, we continuously improve our processes that are derivative from incessant reviews and systematic audits to enhance internal and external expectations and requirements and eliminate possible root cause and potential problems. Towards continuously improving our processes, we adopt the Plan-Do-Check-Act Cycle.



Quality Management System

Tropicana's Quality Management System ("QMS") is a strong foundation of well-developed processes. It is a system of processes that demonstrate the best practices, prevention measures, performances, management involvement and customer satisfaction. Our QMS adheres to the internationally recognised standards, the ISO 9001:2015. Staffs across all levels have gone through training and awareness sessions to ensure processes are recognised and followed through to effectively meet our policy and increase efficiency.

Internal Quality Audit

Quality audits are fundamental to the Quality Management System of Tropicana. Evaluations are conducted to determine conformance of company policies, test the effectiveness of the quality system, promotes transparency and corporate governance and highlights examples of good practices. The Internal Quality Audit ("IQA") was performed by our trained Quality Assurance team. The IQA serves as an interaction between processes and identifies weak links for opportunities for continual improvement and focus on prevention.

Project Quality Audit

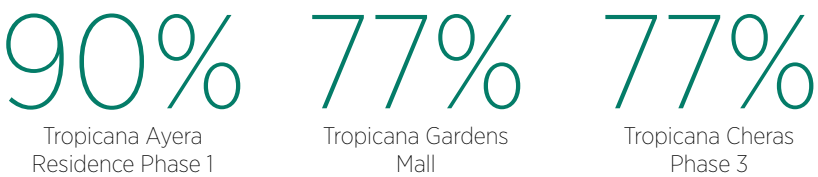
Periodic audits are conducted monthly to provide check and balance to the overall management of projects. We work hard in discovering and eliminating non-conformance, identifying root cause and putting a halt to repetitive and potential problems. Series of On-the-Job Trainings ("OJT") are conducted regularly to continuously improve the performance and management of the project.

Performance of Outsourced Services

As consultancies, construction works and procurement/supplies are outsourced, Tropicana has developed a series of control measures to monitor the quality of services rendered through quarterly performance evaluation. The evaluations are non-generic. It is designed and developed emphasising on project stages and mean deviation across the organisation. The evaluation is reviewed and meetings are conducted to garner response and immediate proactive action for improvement from outsourced services through the Evaluation Review Feedback ("ERF"). Tropicana has always put high importance in quality delivery. Systematic Quality Benchmark Trainings ("QBT") are conducted and reported regularly with emphasis on maintaining quality through internal and external supply chains.

Independent Quality Assessment

Tropicana has adopted the Quality Assessment for Building Construction Works ("QLASSIC") across projects, based on the Construction Industry Standards CIS: 7 2014. The latest assessed projects by CIDB are:



Customer Satisfaction

A systematic approach is designed to understand what our customers think about our products, services and brand. We achieved high customer satisfaction level in 2020 garnering 100% positive response from Tropicana Cheras Phase 3 and 95% positive response from Tropicana Gardens Dianthus. We conduct our feedback across all touch points mainly on the following:

- Building Design
- Building Material
- Building Workmanship
- Range of Facilities
- Environment and Surrounding

Exclusive urban enclave of
Tropicana Danga Cove, Johor

04

THE ART OF SUSTAINABILITY

The Tropicana Foundation which we've recently reestablished has been the channel through which we give back to society, contribute to charitable organisations, provide disaster relief and place our support to the community. We have also consistently acted to sustain and protect the environment. It's because at Tropicana, we're building communities that thrive in harmony with nature.

SUSTAINABILITY AT TROPICANA

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Group MD
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Awareness

TROPICANA GROUP MD SUSTAINABILITY STATEMENT

Dear Stakeholders,

It is with great honour that I am proud to present Tropicana Corporation Berhad's Sustainability Statement for the end of the 2020 financial year. Our distinctive Tropicana DNA focuses on accessibility, connectivity, amenities, facilities, innovative concepts and designs, generous open spaces, multi-tiered security, and quality. Today, our brand resilience and sustainability continues to be our key agenda in achieving business continuity and value creation for our stakeholders. As a well-established developer of reputable townships, residences and commercial projects, Tropicana is determined to become a formidable force by redefining the art of living. We want to be recognised as a community developer, with creations that leave a positive, lasting impact on the economic, environmental and social aspects for many generations to come.

To remain a frontrunner in creating a circular economy, we must remain resilient and agile, now more than ever, in strategising and anticipating responses to changes that would fundamentally benefit Tropicana's triple bottom line – People, Planet and Prosperity. The real estate industry is ever evolving, especially in the wake of impactful disruptions in two main areas last year: public health and digital innovation. Our efforts are strongly guided by national governing principles, best practices within the industry, the Global Reporting Initiative ("GRI") Standards and most recently, the United Nations Sustainable Development Goals ("UNSDGs").



Tropicana Metropark,
Subang Jaya



Strengthening Our
Economic Outlook

The concept of sustainable development remains a driving force in our business strategy where the commitment to promote operational efficiency is supported by an unwavering dedication to Corporate Social Responsibility ("CSR"). This past year has seen the rise of digital transformations that spurred us to align our business models to online avenues that resulted in cost efficiencies and most importantly expanded our audience reach over a shorter time span to a wider age demographic.

Backed by data-driven knowledge, we honed our sights on launching digital campaigns and interactive apps such as our Tropicana 360 app that allowed our customers to engage with us directly, obtain more information on our development projects, access exclusive deals and more. Our Tropicana 10-TEN digital campaign achieved a record high of RM899 million in bookings despite the challenging market conditions and conservative consumer appetites in real estate. Backed by the huge success of this campaign in 2020, we have rolled out the Tropicana 100 campaign, offering 100%-enhanced deals specially curated for our customers.

Windmill at Tropicana Metropark, Subang Jaya



Reinforcing Our Social
Responsibility

From a social aspect, health and safety took centre stage with the prevalence of the pandemic that not only severely impacted the global economy but jeopardised the livelihoods of the human population. Tropicana was quick to act when it came to enforcing measures that would protect the safety of our employees and the general public by committing to a strict adherence to standard operating procedures ("SOPs") set by the government. Furthermore, we extended our appreciation to the frontliners who have worked tirelessly throughout the year to treat and combat the spread of the COVID-19 virus as part of our social responsibility. Our efforts, which extends far beyond regulatory compliance is further presented in the Social section of our Sustainability Report. Closer to home, we have also provided all our employees with a Tropicana Care Pack, containing a personal sanitizer kit, face mask and recyclable cutlery set. We aim to make Tropicana a safe and worry-free zone for our employees to work and prosper.

At Tropicana, while we move forward with our charitable and environmental drives, we are also taking this time to better understand the needs of the diverse layers of society that are under served and neglected. Simultaneously, as we collaborate with more charitable organisations around the country, we aim to provide much needed relief to the vulnerable and those affected by the pandemic to make a more positive impact on society at large, as we redefine what it means to be a part of the community.

Achieving
Environmental
Conscientiousness

Tropicana recognises its role as a model developer to many of our industry peers, given our years of experience in development, quality and service excellence. As the calls for climate action continue to grow louder, we as industry leaders aim to prove our calibre by setting the stage for environmental stewardship through innovative developments. Our projects achieve high ratings on environment-conscious parameters and we implement impactful strategies to minimise any threats to the integrity of our natural environment. Furthermore, we develop townships that are catered towards bringing communities together, encouraging social recreation in green public spaces.

Moving forward, our sustainability initiatives will continue to fortify our growth in every facet of our business, which may include expanding our portfolio into burgeoning property hotspots at Genting Highlands and Langkawi as well as developing affordable luxury homes. Despite a stall in the short term mass housing market, the outlook for Malaysia's property industry remains positive on a medium to long-term scale given the resilience of property values as a long term investment asset class despite economic uncertainty. On behalf of the Board of Directors and Management team, I extend our sincerest gratitude to our stakeholders for their unwavering dedication, support and commitment to Tropicana throughout this challenging yet opportunity-filled financial year.

Our Reporting Framework

About this Statement

Sustainability at Tropicana Corporation Berhad, also referred to as “the Group”, considers economic, environmental and social (“EES”) risks and opportunities in the products and services we provide. Our overarching goal of responsible operational practices is ingrained in our Tropicana DNA, driven by an unwavering commitment to deliver sustainable value creation to our stakeholders in the long-term.

With this in mind, we are proud to share the results of our FY2020 sustainability-driven initiatives in our fourth Sustainability Statement (“Statement”) to uphold our promise in working towards aligning our business with sustainable aspirations.

Reporting Period

Annual Reporting: 1 January 2020 to 31 December 2020

Reporting Scope

Information and data disclosed in this Sustainability Statement represents initiatives and strategies undertaken by Tropicana Corporation Berhad's business operations in Malaysia which we have direct managerial control over. Our Statement excludes joint ventures and operations for which the Group has no managerial control and decision-making activities.

This Sustainability Statement also includes selected data and information on several projects within our operating pipeline, where necessary. This includes, but are not exclusive to, the following developments:

Central Region

- Tropicana Gardens
- Tropicana Metropark
- Tropicana Aman
- Tropicana Heights
- Tropicana Cheras

Southern Region

- Tropicana Danga Cove

Independent Assurance

For this Statement, we have not sought any external assurance for the data we disclose. The Group recognises the added value of conducting independent evaluation and endorsement on our information disclosure and seek to engage in data assurance in the future.

Feedback

Tropicana invites and encourages feedback from all our stakeholders as a measure to continuously enhance our reporting performance. Our Sustainability Statement is enclosed within our FY2020 Annual Report which is available on our corporate website at www.tropicanacorp.com.my

For further enquiries, please contact:

Almaz binti Azmi
Risk Management Department

Tel : 03-7663 6888

Email : corpcomm@tropicanacorp.com.my

Refining Our Reporting Mechanism

At Tropicana, we maintain our commitment to creating a sustainability culture that considers the impact of our operations on economic, environmental and social aspects toward our stakeholders. The core practice of our business as property developers creates a wealth of benefits by uplifting the livelihood of society through community-oriented homes and projects. We remain cognisant of our role as consumers of resources to construct properties and strive to ensure that we adopt best practices that would conserve and protect the natural environment as best as possible while striving to remain profitable.

Although we began with corporate social responsibilities (“CSR”) as the first pillar towards sustainable practices, we have matured to include comprehensive reporting and data disclosure of our EES risks and opportunities as part of our sustainability-driven building blocks over the years. To guide us in our journey, we adopted several national and global frameworks that help us identify key features to be considered in our long term sustainability strategy.



The contents of our Statement serve to furnish information regarding our yearly EES performance which includes:

- **Sustainability Governance** – Mechanisms in place to align the Group's operations with wider sustainability contexts;
- **Materiality Matters** – A materiality matrix that ranks the degree of importance of our EES aspects to our business operations and stakeholders;
- **Stakeholder Engagement** – Areas of interests from our stakeholders that are addressed by the Group; and
- **Data Disclosure** – Covering reporting requirements related to EES with regard to the Group's operational activities throughout the financial year.

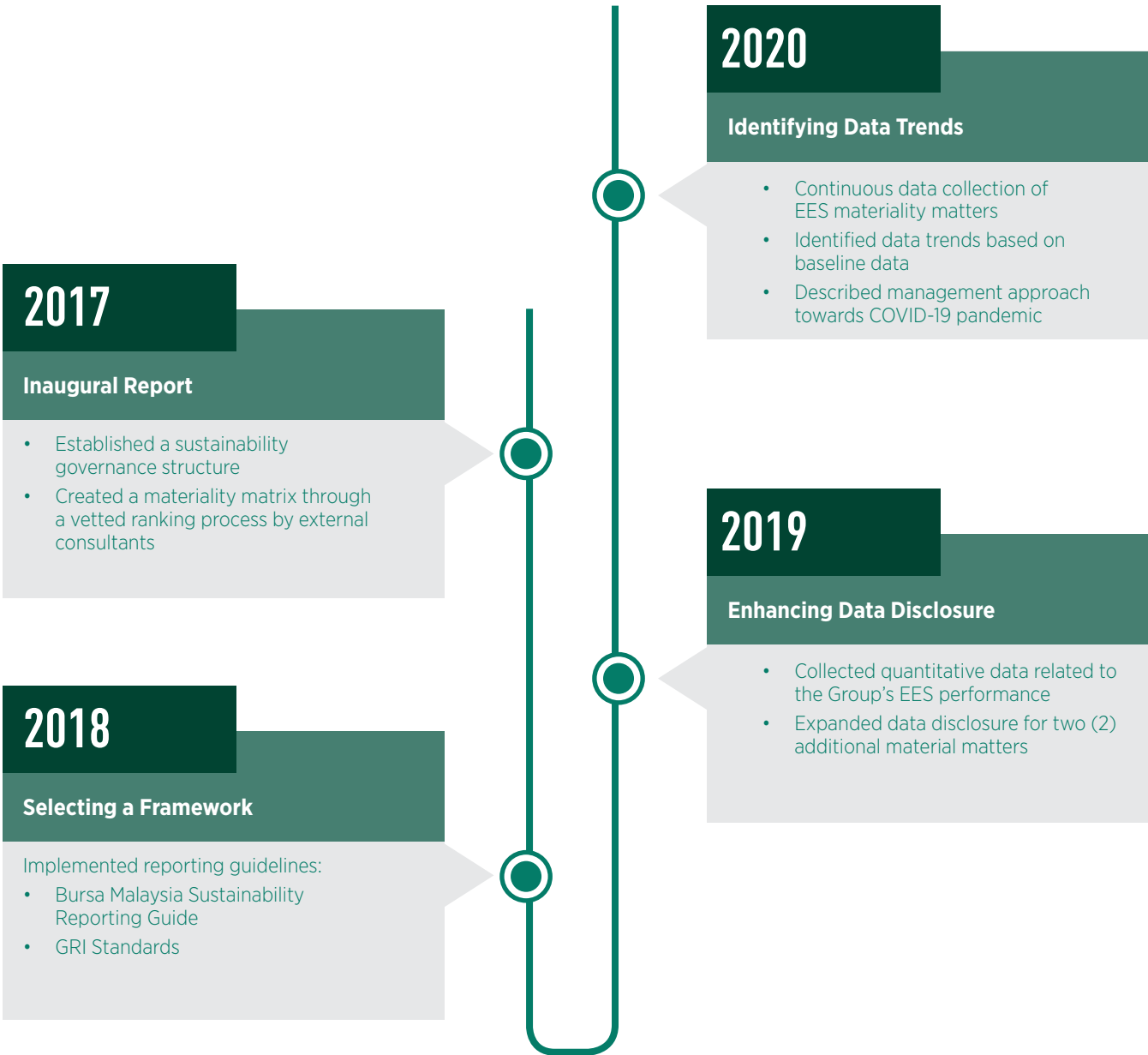
This year, we endeavor to begin aligning our business practices with the United Nations Sustainable Development Goals (“UNSDGs”) to serve as a stepping stone towards enhancing our awareness to sustainability practices on a global scale. For this exercise, we identified six (6) SDGs that are relevant to Tropicana's value chain. We maintain a strong focus on integrating sustainability-related practices into our daily operations and developments in the years to come, thereby taking into account the targets outlined by each SDGs we commit to.



Reporting
through the
Years

Our sustainability reporting journey began with the identification of 18 materiality matters that were relevant to Tropicana’s EES risks and opportunities. This was followed by the creation of a sustainability governance structure to steer our ongoing efforts to improve our business practices by taking into account sustainable considerations that would benefit the Group’s operations and meet the expectations of our stakeholders in the long term.

As we continue to mature in our reporting, we aim to explore sustainability-related opportunities that contribute towards value creation on our development projects that facilitates harmonious community building while maintaining the integrity of the natural environment and economic prosperity for the nation.



Sustainable
Corporate
Governance

Good adherence to corporate governance reflects Tropicana’s commitment to provide the highest level of assurance to our stakeholders by considering their best interests in our operations. Like any sustainable business, corporate governance is a cornerstone in building a foundation of trust and integrity in the market. The processes, practices and policies of our organisation is based on adherence to regulatory requirements and standards that guides us on any formal decision- and policy-making exercises related to the Group.

At Tropicana, our Board of Directors and Senior Management team plays a pivotal role in developing and endorsing our corporate governance policies. Our governing mechanism allows for sound strategic planning of the Group’s long term business operations and prove to be vital in ensuring subsequent success of the organisation in the years to come. An important aspect of good governance is the communication of the Group’s commitments to its policies. Here at Tropicana, we promote ethical practices and strong accountability through a series of policies that are available on our corporate website or employee portal.

Malaysian Code on Corporate Governance 2017 (“MCCG 2017”)		
	Our core governing framework is guided by the MCCG2017 which outlines the best practices and principles that are necessary to ensure sustainable governance and business longevity. Further details of our corporate governance framework can be found on Page 126 to 127 in our FY2020 Annual Report. There were no reported incidents of non-compliance to national laws and regulations throughout the year of reporting. This includes no significant fines or non-monetary sanctions imposed on the Group.	
Code of Conduct	Tropicana’s Code of Conduct emphasises the prioritisation and strict adherence to ethical practices by its employees throughout the Group. The Code of Conduct also outlines the Group’s expectations towards performance excellence and exemplary behaviour on its employees.	Accessibility: <ul style="list-style-type: none">Employee portalCorporate website
Whistleblowing Policy	Our stakeholders are protected in accordance to the Whistleblower Protection Act 2010 upon the reporting of any misconduct that may impact the Group and its interests. Tropicana’s Whistleblowing Policy further upholds the protection and privacy of any whistle blower while assuring a fair and transparent investigation of any reported wrongful behaviour or practice.	Accessibility: <ul style="list-style-type: none">Employee portalCorporate website
Anti-bribery and Anti-corruption (“ABAC”) Policy	The ABAC Policy applies to all employees, Directors (Executive and Non-executives) and anyone who performs services for or on behalf of the Group, which includes contractors, sub-contractors, consultants, suppliers, agents, intermediaries and representatives of the Group. Tropicana strictly does not condone any form of bribery and corruption.	Accessibility: <ul style="list-style-type: none">Employee portalCorporate website
Personal Data Protection	In accordance to the Personal Data Protection Act 2010, the Group assures our stakeholders of the highest level of data privacy and security with regard to any information recorded for business and operational purposes.	Accessibility: <ul style="list-style-type: none">Employee portal
Diversity and Inclusion Policy	Tropicana recognises the importance and benefit of diversity in the workplace and at the Board of Directors level. We remain committed to creating a culture that respects and values each other’s differences, promotes equality and diversity. Our policy emphasises our commitment to ensuring a fair and conducive working environment for all parties involved.	Accessibility: <ul style="list-style-type: none">Corporate website
Grievance Handling Procedure	To protect the best interest of the Group and our employees, a grievance handling procedure was formulated for the purpose of reporting any misconduct or work-related grievances. This includes any form of biasedness, discrimination or harassment that could cause harm to the wellbeing of our stakeholders and the reputation of the Group.	Accessibility: <ul style="list-style-type: none">Employee portalCorporate website

Aligning Risk Management with Sustainability

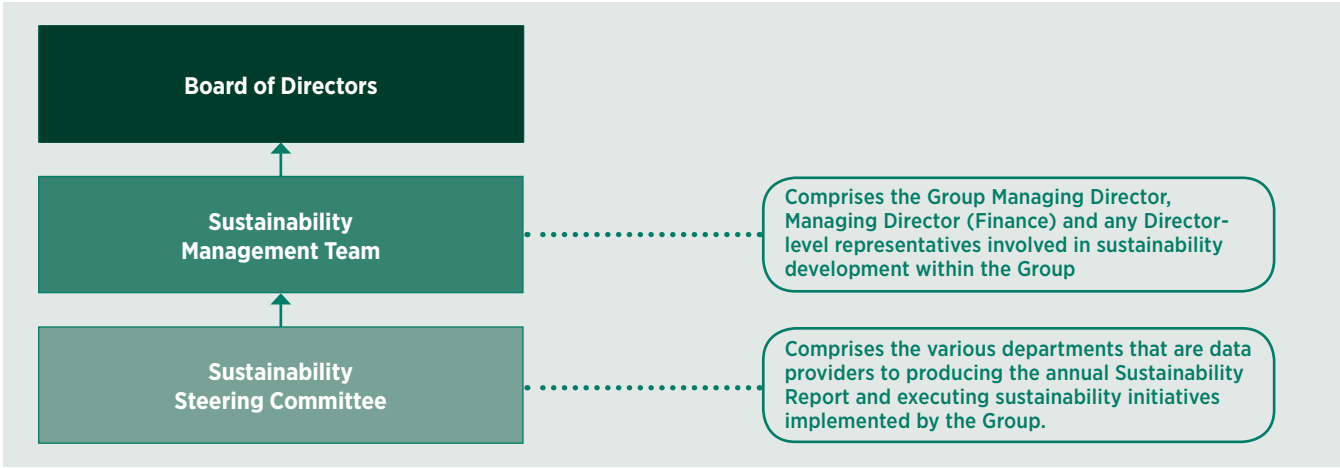
We consider risk management an integral part of our daily business operations – ensuring that the Group consistently provides a safe and conducive working environment for our stakeholders. In adopting a robust risk management framework, we strive to optimise our ability to identify, evaluate, minimise and monitor risks associated with our daily operational activities as well as long term business performance.

Established in 2012, Tropicana inculcated the Enterprise Risk Management (“ERM”) framework into our business operations which is monitored and evaluated by our designated Risk Management Department on a quarterly basis. With the support of our Board of Directors and Risk Management Committee, we continuously seek to maintain a sustainable balance between our risk appetite and business potential to achieve competitive advantage over our industry peers through sound strategic planning.

As we strive to assimilate risk management with sustainability performance, our reporting strategy considers aspects beyond financial performance to include social and environmental considerations that impact our operations and stakeholder expectations. For further information on Tropicana’s Risk Management practices, refer to pages 140 to 144 for the Statement of Risk Management and Internal Control in our FY2020 Annual Report.

Governing Our Sustainability Initiatives

Having a robust governance structure creates a formalised approach to inculcating sustainable development efforts within the Group. Established in FY2017, our governing committee comprises a three-tier structure with the Board of Directors at the apex that ultimately oversees and endorses sustainability-related matters in Tropicana. This year, we revised our second-tier classification from ‘Deputy Group Chief Executive Officer’ to ‘Sustainability Management Team’ as a means to present our expanding commitment to sustainability by having more Director-level representatives on a central platform that focuses on developing sustainable initiatives and strategies.



The roles and responsibilities of the sustainability committee assigns accountability and responsibility to each tier within the structure thereby optimising the Group’s efforts to undertake risks and opportunities associated to our EES performance.

Committee Tier	Roles & Responsibilities
Board of Directors	<ul style="list-style-type: none">Responsible for the overall sustainability direction of the GroupEnsures business strategy considers sustainability-related material mattersEndorses the Group’s Sustainability Statement as part of Tropicana’s annual reporting initiative
Sustainability Management Team	<ul style="list-style-type: none">Provides leadership to ensure the implementation of the Group’s sustainability agenda in our business strategiesDevelops sustainability strategies and reports to the Board on the Group’s overall progressReviews and approves policies, targets and market disclosures on sustainability matters
Sustainability Steering Committee	<ul style="list-style-type: none">Supports the implementation of sustainability-related strategies and targetsEnsures sustainable processes and controls are in place within the Group’s departments/functionsReports on the Group’s sustainability performance based on the implemented processes and controls via the Sustainability StatementCollects Group sustainability data to generate a Sustainability Statement as part of our annual disclosure

Building Resilience throughout the COVID-19 Pandemic

News of the spread of the novel coronavirus – later coined as COVID-19 – first came to light in late-2019. By March 2020, the World Health Organisation (“WHO”) officially declared the disease a pandemic, triggering massive disruptions to global economies and severely threatened the well-being of the human population. A year on and the world continues to deal with the unprecedented fallout of the pandemic, many countries having more than one outbreaks and forced into multiple lockdowns. The challenges brought upon by COVID-19 continues to affect economies and societies everywhere, creating a tough climate for organisations to sustain their operations.

Changes to Our Business Operations

On a national scale, the Malaysian Government imposed one of the strictest lockdown in the world, the Movement Control Order (“MCO”), to address a growing outbreak on 18 March 2020. The MCO included a near-halt to majority of businesses and strict controls on any form of public gatherings. Tropicana closely monitored the development of the virus to formulate primary strategies and frameworks that would ensure the safety of our stakeholders remain a top priority. Through effective governing and adherence to the Ministry of Health’s (“MOH”) guidelines, our business effectively weathered the economic downturn and remained agile in adapting to the volatile real estate market which was exacerbated by financial insecurity and job losses. Our supply chain and operations were evaluated for its level of risk to the virus exposure and spread to enact effective control measures where necessary to maintain the productivity of our business. This includes swab tests, health declarations, social distancing practices, regular disinfection on-site and more.

Protecting the Welfare of Our Stakeholders

The outbreak triggered a country-wide effort to enforce social distancing measures and heavy use of personal protective equipment (“PPE”) as well as disinfection products. Masks were made mandatory to our staffs and visitors who entered our premises which included the Tropicana Gardens Mall, Tropicana Gardens Office Tower, Tropicana Golf & Country Resort (“TGCR”) and project sites. With regular disinfection practices carried out by certified vendors, we remain vigilant when it comes to protecting the sanitary conditions of public spaces and facilities where we operate.

Our response to outbreak risks have been swift. Swab tests were carried out on our employees upon the confirmation of a positive case at our Tropicana Gardens Office Tower and contact tracing was diligently carried out. With regard to the outbreak at TGCR, Tropicana enforced strict quarantine measures to significantly lower the risk of exposure to our staffs and guests. The outcome of this saw our operations commence in less than a week from the time the cases were detected among a small number of employees. To date, we have not eased on any of our efforts to combat the spread of the COVID-19 virus to ensure that our stakeholders are assured of their safety with Tropicana.



Standing in Solidarity with Our Frontliners

Along with the initiatives we carried out within the business, we also put forth our best efforts to contribute to broader communities that were impacted by the pandemic. This was mainly done by PPE and funding contributions to hospitals and law enforcement personnel who are involved in COVID-19 control, testing and treatment efforts. We hoped that this small token of our gratitude will help to uplift the spirits of our frontliners and convey our support for their hard work. Further details on our contribution and donation related to fighting the pandemic can be found in the Social section of our Sustainability Statement (Page 104).

ECONOMIC SUSTAINABILITY

This year, our business and general livelihood were challenged by the outbreak of the COVID-19 pandemic. Various measures and management approach were adopted to ensure that we remain agile in navigating the turbulent economic conditions. Without compromising our high standards of product quality and delivery, we showcased our resilience through minimal project delays and focused on protecting the health and safety of our stakeholders.

On the need to futureproof our operations, the Group endeavors to develop, execute and monitor sustainable practices that aims to adapt to climate, market and consumer uncertainties in the years to come. Concerted efforts were made to create lasting values through our investments and assets as we manage the various capital inputs as depicted in our Economic Performance section as below. This includes commitment to high corporate governance standards and expanding opportunities to the local job market and suppliers.

Materiality Matter	Importance to Tropicana	Management Approach	UNSDGs
Economic Performance	To achieve long-term business growth that benefits current and future stakeholders.	Developments and investments that ensures sustainable returns for stakeholders and enhance the value of Tropicana's business portfolio.	
Procurement Practices	To ensure transparency, fairness, accountability and integrity throughout the entire procurement process.	Provide job opportunities to uplift the nation's local economy and improve local employment availability.	

Economic Performance

Stepping into the new decade, we reflect on our presence in the real estate industry for over 40 years with pride and gratitude. Through the years, we consistently demonstrated resiliency, adaptability and quality in our products and services, as well as uphold our responsibilities towards society and the environment.

Year on year, we strive to remain committed to elevating the Tropicana brand name and reputation, underpinned by strong corporate governance. Our growth is attributed to the unwavering support from our stakeholders and having the confidence in our ability to deliver high quality products and infrastructure solutions that bridges communities together. In FY2020, the Group registered a revenue of RM1.06 billion and achieved profit attributable to owners of the parent amounting to RM91.3 million.

Financial Performance	(RM' mil)
Total Value Added	611.1
Net Operating Income	606.2
Share of Profits of an Associate and Joint-Ventures	4.9
Reinvestment and Growth <i>(Depreciations and amortisation, retained income)</i>	72.4
Government <i>(Corporate taxation)</i>	91.8
Employees <i>(Salaries and other staff costs)</i>	173.5
Providers of Capital <i>(Dividend, finance costs, holders of perpetual bond and non-controlling interests)</i>	273.4

For further details on our financial highlights, please refer to the following pages:

Management Discussion and Analysis: Pages 40 to 67
Performance at a Glance: Pages 68 to 69
Financial Highlights and Insights: Pages 70 to 71
Value Added Statement: Page 72
Audited Financial Statements: Pages 151 to 292

Supply Chain Management

The Movement Control Order ("MCO") enforced on 18 March 2020 triggered a cascade of repercussions to a majority of supply chains in the real estate development industry. Our core business is to construct buildings – an activity that requires high volumes of raw materials, building resources, property fixtures and more. Our team in the Group Procurement and Tropicana Building Materials departments were quick to respond to the lockdown, successfully navigating disruptions to supply chain activities without causing major delays to our on-going project developments.

We remain vigilant to the changes in the current market conditions as a result of the pandemic and continue to work closely with our suppliers to avoid any delays in product deliveries. In FY2020, Tropicana spent upwards of RM300,000 on supplies geared towards combating the spread of COVID-19. The safety of our staff and group of stakeholders remain a top priority to Tropicana as we strive towards creating a safer environment for everyone involved in our business activities.

Management Approach throughout the COVID-19 Pandemic

Group Procurement

Direct & Indirect Impact	<ul style="list-style-type: none">Products and delivery require longer lead time due to :<ul style="list-style-type: none">Lockdown that affect deliveries to requestors (Limitation of transport and freight services).Supplier do not have MITI approval permit to operate and/or perform deliveries			
Measures to Avoid Supply Chain Disruption	<ul style="list-style-type: none">No major disruptions were encountered by Group Procurement as all major services have been awarded prior to COVID-19.Should there be any impact on products availability, the Group will opt for compatible/alternative products.			
Guidelines to Ensure COVID-19 Safety	<ul style="list-style-type: none">Suppliers are required to adhere to standard guidelines set-forth by MOH as well as Tropicana's requirements during delivery.			
Spending on Matters Related to COVID-19 Management	Disinfectant Services	- RM83,631.07	Face Mask	- RM18,535.00
	Hand Sanitizer (Bottle Type)	- RM17,724.00	Medical Suit	- RM760.00
	Auto Stand Mobile Sanitizer	- RM40,377.50	Medical Equipment	- RM115,300.00
	Misting Equipment & Chemical	- RM13,585.00	Thermal Screening	- RM15,400.00
	Total Spent on COVID-19 Management Supplies = RM305,312.57			

Building Materials

Direct & Indirect Impact	<ul style="list-style-type: none">Products and delivery required longer lead time due to :<ul style="list-style-type: none">Lockdown that affect materials supply chain, production hours, transport and freight availabilities.Manufacturers trimmed production line.Manufacturers reduced range of products.			
Measures to Avoid Supply Chain Disruption	<ul style="list-style-type: none">No major disruption were encountered as all our on-going projects are at the advance stage of development and bulk orders have since been fulfilled.			

Note: The Management Approach presented above only reflects the initiatives carried out at our HQ.

Procurement Practices

In line with our commitment to develop products of the highest quality, it is essential for us to procure our resources and building materials from suppliers who are equally as committed to the quality and regulatory standards we uphold ourselves to. Through stringent selection and evaluation methods, we award contracts to our suppliers based on merit – taking into consideration their job history, cost of service and ability to meet deadlines.

Fair Supplier Selection and Evaluation

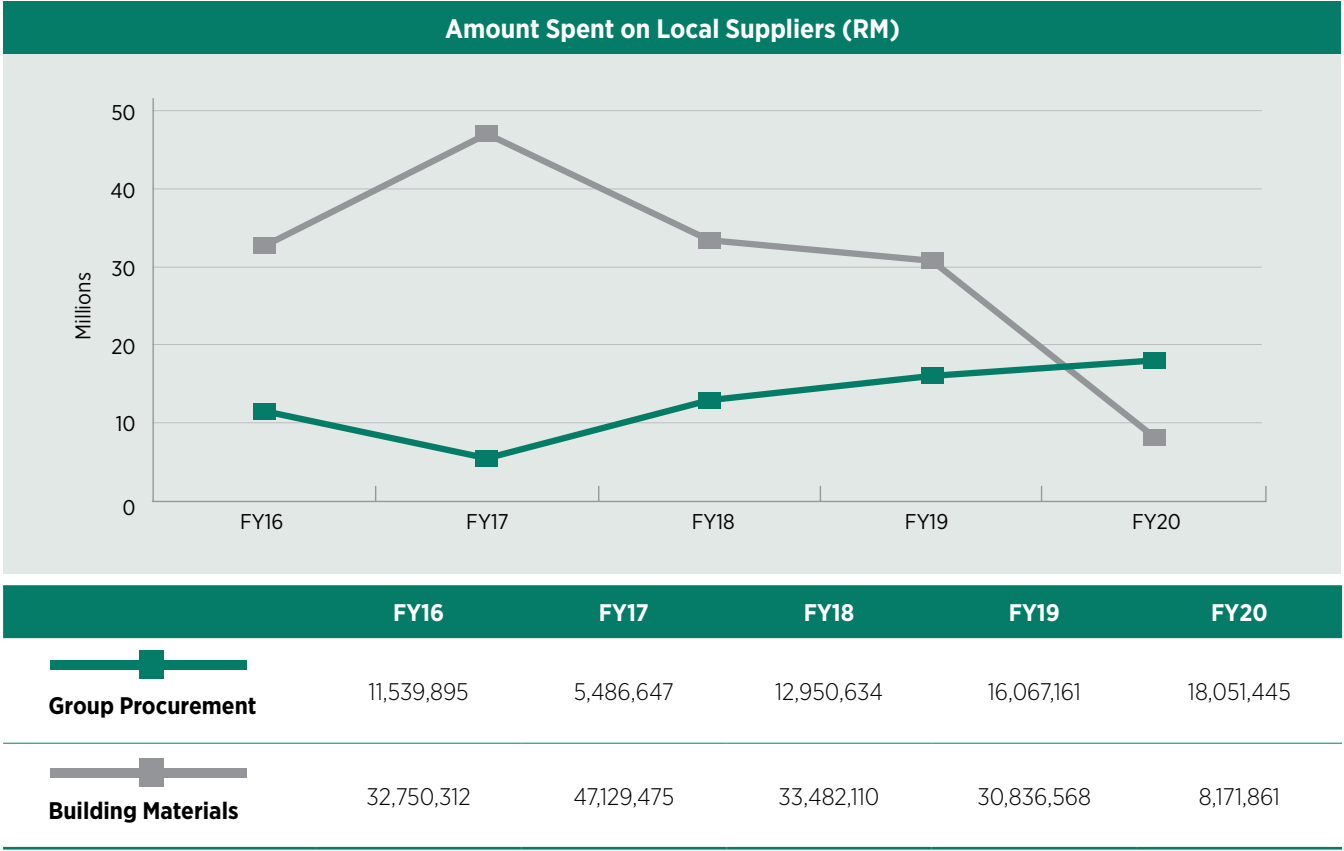
To remain fair and competitive, we employ a supplier selection flow which takes into account an Approved Suppliers List ("ASL") and survey methods to hire new suppliers in the event that a product is not available or a less costly alternative is available. Our hired suppliers are also subjected to continuous assessment of their performance that enables delivery of value added, high quality services at market price.



Prioritising Local Suppliers

To stimulate the growth of Malaysia's economy, we strongly endorse the hiring of local suppliers for our development projects. Our stakeholders, which include suppliers, are assured of fair project tendering and awarding opportunities to local businesses that meet the standards outlined by the Group. Every year, more than 95% of our development projects are awarded to local suppliers that have been carefully screened and selected by our Group Procurement and Tropicana Building Material departments respectively.

FY2020 saw a large drop in spending on local suppliers for the Tropicana Building Materials department mainly due to the completion of most of our on-going development projects and lesser launches of new projects. We aim to continue to support local hiring in the years to come in hopes of stimulating the local economy into a faster recovery while also reducing carbon emissions costs that would be incurred due to cross-country material transport.



SOCIAL RESPONSIBILITY

Tropicana's years of experience as a reputable developer drives us to uphold exemplary building standards as we work towards creating a legacy of developments that incorporates sustainable building designs and community building projects that bridges generations together. We remain committed to delivering high quality products and services that meet the expectations of our customers while striving to inculcate innovative measures that further reinforces our reputation as a leading developer.

Materiality Matter	Importance to Tropicana	Management Approach	UNSDGs
Products & Services Responsibility (Social)	To continuously improve the quality of our deliverables and enhance services that exceed the expectations of our customers.	Create high quality deliverables to enhance brand reputation as well as benefit homeowners and the surrounding community.	11 SUSTAINABLE CITIES AND COMMUNITIES
Employee Management	To develop a healthy and productive workforce that represents the Group in an exemplary manner while achieving job satisfaction.	Encourage a harmonious and fair working environment for employees to create value within our workforce.	5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES
Talent Development	To promote a continuous learning environment that enhances the employability of our workforce and provide value-added service to our stakeholders.	Encourage the culture of continuous learning to develop a formidable workforce that are highly knowledgeable of the industry and provide excellent customer service.	5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES
Occupational Safety & Health	To protect the wellbeing of our workforce and ensure the safety of all stakeholders are maintained.	Implement measures to strengthen the culture and awareness of occupational safety and health of our stakeholders.	9 INDUSTRY INNOVATION AND INFRASTRUCTURE 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Contractor Management	To engage with contractors with values and principles that align with the Group in producing an output that meets the demand and expectations of the market.	Adopt clear and transparent practices between the Group and our contractors to promote efficient contract management that facilitates a beneficial working relationship.	9 INDUSTRY INNOVATION AND INFRASTRUCTURE 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Community Engagement	To encourage the culture of giving-back while endorsing harmonious living that uplifts the wellbeing of the community.	Share the wealth and prosperity of the Group with local communities in which we operate to create a culture of giving back.	11 SUSTAINABLE CITIES AND COMMUNITIES

Occupational
Safety and
Health

Preserving Health
and Safety at Our
Headquarters

One of the biggest impact brought upon by the COVID-19 pandemic was the reemphasis of preserving occupational safety and health at the workplace. Supported by our dedicated Administration and Human Resources departments, we were quick to act when the virus began to gain a foothold in our business operations. Not only did we implement measures to protect our employees during their time in office, but also enforced strict conditions at our project sites to ensure that our operations continue to operate as smoothly as possible.

The following measures were introduced at our HQ during the start of the outbreak to ensure that stakeholders, mainly our employees, of the Group and its respective subsidiaries were well protected from any health threats:

Management Approach throughout the COVID-19 Pandemic	
Disinfection and Sanitisation Measures	
1) Employ a clean-up crew	<ul style="list-style-type: none">A team of clean-up crew was tasked with cleaning and disinfecting any shared surfaces and high-touch areasThis included office phones, keyboards, computer mouse, monitors, door handles as well as pantry equipment
2) Regular sanitising and disinfection of public areas	<ul style="list-style-type: none">A schedule was prepared for Admin personnel to employ UV light disinfection exercise before and after a public room was used by the staff – during early morning, lunch hour and after office hoursThis included meeting rooms, discussion rooms, conference rooms etc.
3) Regular disinfection of working area	<ul style="list-style-type: none">The Group engaged a qualified vendor to conduct disinfection via misting in public areasThis included the main lobby, passenger elevators, waiting areas, workstations and internal officesThe chemical utilised for the misting lasts up to 45 days regardless of any wipe-down activities using water
Equipment and Tools Utilised	
1) Provide personal protective equipment (“PPE”)	<ul style="list-style-type: none">Our office frontliners were provided with face masks, gloves and face shields to be used at all timesTheir job nature included frequent face-to-face interactions with staffs and visitors
2) Mandatory requirement to wear face mask	<ul style="list-style-type: none">All staff were required to wear a face mask inside the office to reduce the risk of airborne transmissionAll visitors were required to wear a face mask at all times before entering the office grounds
3) Install hand sanitiser stands	<ul style="list-style-type: none">A total of 13 units of hand sanitiser stands were installed at every main entrance of Tropicana Garden Office TowerOur Admin personnel were also tasked to ensure that the sanitiser was always well stockedA certified vendor was employed to refill the hand sanitisers upon request
4) Utilise a thermal camera for temperature checks	<ul style="list-style-type: none">A thermal camera was installed at the main entrance of the main lobby of Tropicana Gardens Office TowerThe thermal camera will issue an alarm to the security team if anyone records an above-normal temperatureAnyone measuring a temperature more than 37.5°C were not allowed to enter the premises
5) Mandatory check-in with MySejahtera app	<ul style="list-style-type: none">Anyone entering the Tropicana Gardens Office Tower were required to check-in using the MySejahtera appThis is to ensure contact tracing with MOH will be possible in the event that it is required
Social Distancing Measures	
1) Install social distancing stickers and notices	<ul style="list-style-type: none">The Group installed reminder stickers and posters to ensure social distancing is observed at all timesThis included the main entrance, lobby, passenger elevators, reception counters and conference roomsAll staffs and visitors were required to maintain at least 1 meter (3 feet) distance between each other
2) Reduce sitting capacity in meeting areas	<ul style="list-style-type: none">Sitting arrangements in meeting rooms were set to ensure employees remain at least 1 meter (3 feet) away from each other when utilising the rooms.Admin personnel removed chairs to reduce the sitting capacity in meeting rooms in accordance to MOH's guidelines
3) Encourage virtual meeting	<ul style="list-style-type: none">The Management team regularly encouraged employees to replace physical meetings with virtual sessionsThis included the use Zoom or Microsoft Teams applications

Management Approach throughout the COVID-19 Pandemic	
Communication Measures	
1) Employees	<ul style="list-style-type: none">All matters related to COVID-19 management and initiatives were communicated to our staff via the employee portalOur Group Human Resource (“HR”) department regularly released internal memos to all staff as a reminder to maintain social distancing, encourage job rotations and to choose isolated working areas to work within the officeStaff who did not have access to the employee portal were kept informed of any news by their superior
COVID-19 Screenings	
1) Employees & Close Contacts	<ul style="list-style-type: none">More than 500 employees were subjected to mandatory COVID-19 swab test when a positive case was detected at our HQClose contacts were placed under strict orders to observe quarantine measures outlined by MOH and produce negative test results before returning to work
Regulatory Compliance	
1) Business operations	<ul style="list-style-type: none">In-office operations were kept at 30% capacity in accordance to the directive outlined by the Malaysian Government

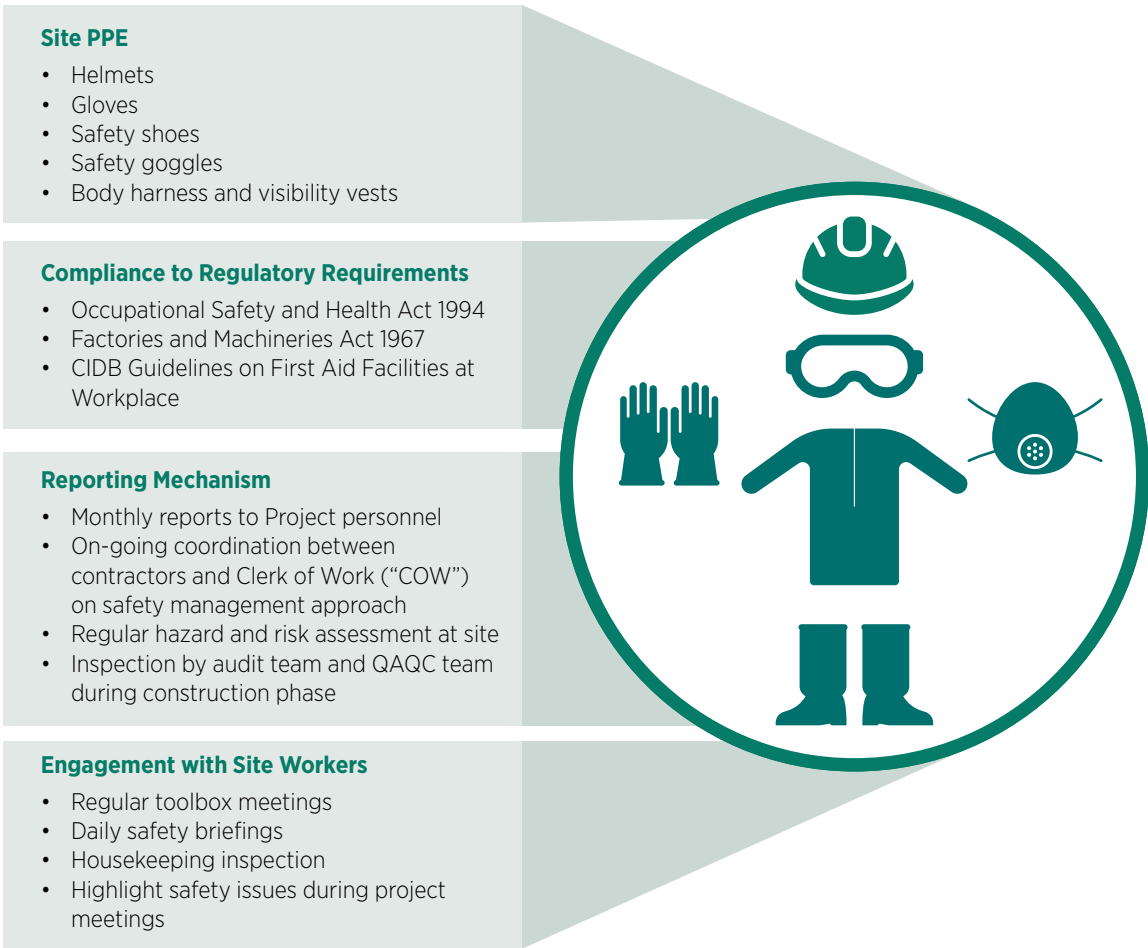
Preserving Health
and Safety at Our
Project Sites

Building on our baseline control measures to maintain workplace safety and health at our project sites, we added more stringent practices to minimise the risk of virus transmission among our site personnel which include our contractors and migrant workers.

Management Approach throughout the COVID-19 Pandemic	
Disinfection and Sanitisation Measures	
1) Frequent sanitising and disinfection of working areas	<ul style="list-style-type: none">Project sites were subjected to frequent sanitisation and disinfection
2) Frequent sanitising and disinfection of public areas	<ul style="list-style-type: none">Public facilities such as taps, toilets, door handles, cafeteria area were subjected to frequent disinfection
Equipment and Tools Utilised	
1) Provide personal protective equipment (“PPE”)	<ul style="list-style-type: none">All site personnel were provided face masks, access to hand sanitisers and anti-bacterial hand soap
2) Mandatory requirement to wear face mask	<ul style="list-style-type: none">All staff, contractors and workers were required to wear a face mask at all times upon entering the project site
3) COVID-19 Management SOP	<ul style="list-style-type: none">Contractors were required to provide a standard operating procedure (“SOP”) for work throughout the pandemic which included social distancing measures and the used of PPE as and when necessary
4) Temperature screening	<ul style="list-style-type: none">Any parties entering our project site were required to undergo temperature checks.Any individual with fever symptoms or recorded a temperature above 37.5°C were required to undertake necessary medical action

Management Approach throughout the COVID-19 Pandemic	
Social Distancing Measures	
1) Encourage virtual meeting	<ul style="list-style-type: none">• Site progress meetings were conducted virtually via Zoom calls to minimise physical contact
2) Reduction in Worker Headcount	<ul style="list-style-type: none">• As recommended by the Ministry of Health (“MOH”) contractors were required to manage the number of site workers to prevent overcrowding and ensure adequate social distancing can be practiced.
COVID-19 Screenings	
1) Contractors & Foreign Workers	<ul style="list-style-type: none">• Site workers and contractors underwent mandatory COVID-19 screening as required by the Ministry of Health• Any individual who exhibited COVID-19 symptoms (eg. Fever, coughing, breathing difficulties etc.) was required to undergo the swab test and provide negative test results before resuming work• In areas with high cases, contractors were encouraged to conduct swab test as and when necessary

Between 18th March to 4th May 2020, construction activities at our project sites were halted due to the Movement Control Order (“MCO”) imposed by the Malaysian Government. Once Tropicana obtained the necessary approval to resume our operations by the local authorities, we proceeded to uphold our standard operating practices with regard to site safety and health with the addition of the COVID-19 control measures outlined above. The following table presents on-going initiatives to ensure workplace safety is always prioritised and meet regulatory requirements to create a safe and conducive working environment.



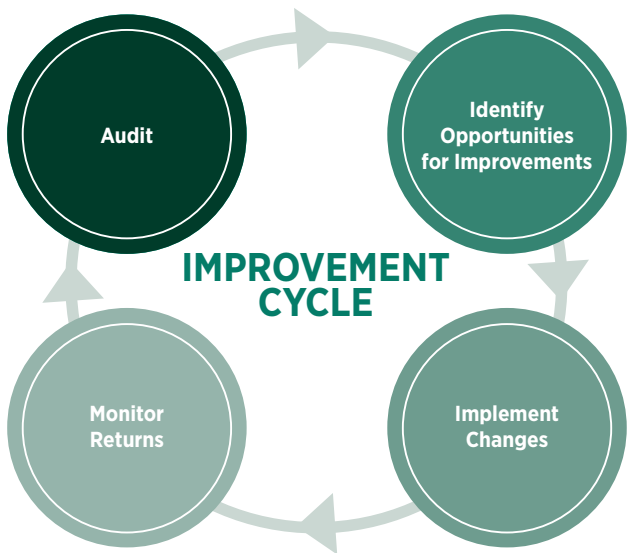
Contractor Management

While each of our projects are developed at different locations, essentially, all projects work towards achieving a common goal – to create sustainable homes that bridges communities together. All projects are different in its characteristics and challenges. This includes varying requirements, pressures, concerns, schedules and more. However, each project functions as part of a uniform system that requires close collaboration between developer, contractors and consultants to ensure timelines are met and quality is maintained.

For there to be an efficient and effective construction site management process, the project management team must coordinate and communicate with all the relevant stakeholders regarding project delays, challenges, and progress. Here at Tropicana, we have a standardised contractor management framework applied across all our developments handled by our project personnel which can be tailored to fit the needs of each development.

Management Approach	Detail	Frequency
1) Dilapidation Survey	<ul style="list-style-type: none">• Compulsory survey for every project phase	Prior to commencement of construction
2) Engagement between Project person-in-charge (“PIC”) and Contractors	<ul style="list-style-type: none">• Site meeting• Project delays meeting	Fortnightly Weekly
3) Performance Monitoring and Non-conformance by Assigned Project Personnel	<ul style="list-style-type: none">• Project performance report to Project PIC• Conduct regular inspection and audits at project site• Engagement with Clerk of Work (“COW”) on any reports of non-compliance to outlined standards	Daily, as and when necessary Continuously Continuously
4) Evaluating Contractor Performance	<ul style="list-style-type: none">• Performance evaluation based on construction time, quality, man power, regulatory compliance (safety and environment)	Quarterly
5) Ensuring Compliance at Project Site monitored by Project PIC, Consultants and Contractors	<ul style="list-style-type: none">• Occupational Safety and Health Act and Regulations 1994 (“OSHA”)• Factory and Machinery Act 1967 (“FMA”)• CIDB Guidelines on First-Aid Facilities in the Workplace• Environmental Quality Act 1974	Continuously
6) Maintaining Product Quality	<ul style="list-style-type: none">• Latest approved building drawing and specification• Monitoring throughout development<ul style="list-style-type: none">– Project Quality Assurance– QLASSIC Assessment– Pre-delivery Inspection (“PDI”)	Continuously Throughout construction End of construction Before CCC
7) Maintenance and Quality Control Post-CCC	<ul style="list-style-type: none">• Defect Liability Period (“DLP”) as part of Contractors obligation before handover• Vacant Possession (“VP”) team will engage with buyers regarding any defects or enquiry about property• Strata development: Handover to JMB• Non-strata development: Handover common and road areas to local council	27 months Continuously End of DLP 1 year after CCC

Prioritising
Product
Quality



ISO 9001
Certification

As an industry frontrunner, we uphold our resolution to deliver top quality products and services via sound management approach to achieve quality excellence. The ISO 9001:2015 certification awarded to the Group underlines the effectiveness of our Quality Management System (“QMS”) practiced throughout the supply chain.

We have a dedicated in-house Quality Assurance Quality Control (“QAQC”) department that ensures our projects are developed in accordance with regulatory compliance, contract specifications and internal guidelines. Our staff were also given the opportunity to refine their quality assurance skills by attending a series of training programmes hosted by our internal QAQC team.

Training Programme	No. of Attendees
On Site Training <ul style="list-style-type: none">• Application of Sealant on Windows/Wall• Paint Termination at Door Frame• Plastering• Basic M&E Fittings	14 5 7 11
e-Project System Briefing <ul style="list-style-type: none">• Tropicana Gardens• Tropicana Metropark• Tropicana Aman• Tropicana Ayera• Tropicana Miyu	81
PDI Inspection Procedure Briefing <ul style="list-style-type: none">• Tropicana Metropark• Tropicana Danga Bay	16
Project Quality Briefing <ul style="list-style-type: none">• Tropicana Aman• Tropicana Gardens	39

QLASSIC Awards

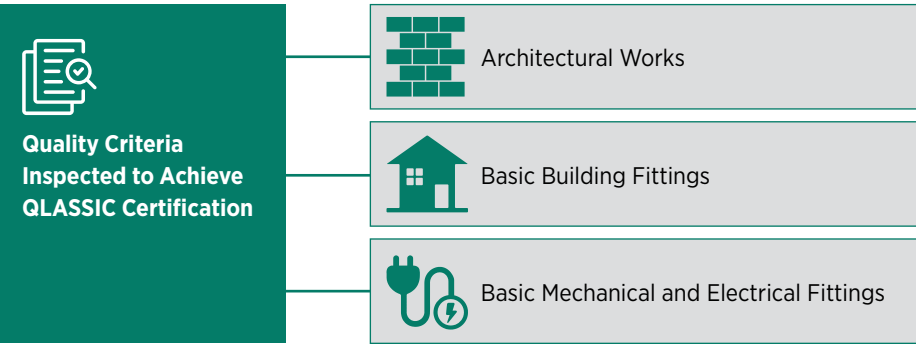
To meet the expectation entrusted on Tropicana as a brand that delivers quality property development, we implement control systems which include thorough assessments to maintain compliance with the Quality Assessment System in Construction (“QLASSIC”) as outlined by the Construction Industry Development Board (“CIDB”).

In FY2020, we are proud to disclose our success in achieving QLASSIC certification for three developments with a score of 77% and above. In this regard, we adopt a continuous improvement approach to enhance our product quality and services based on customer expectations, market trends and industry regulations.

Tropicana and its subsidiaries remain committed to providing property products and services of the highest quality to our customers. In line with our reputation as an esteemed developer of award winning developments, we endeavor to meet applicable quality requirements and aim to inculcate a culture of continuous improvement toward our processes and Quality Management Systems (“QMS”).

Our quality management approach is based on four key principles:

- Effectiveness of the QMS to meet customers expectations;
- Ensure the QMS complies to statutory, regulatory and ISO 9001 requirements;
- Enhance the skills and knowledge of our employees via effective training and coaching; and
- Ensure a safe, healthy and conducive working environment at all times.



Name of Project	Project Type	Date of Assessment	Assessment Results
Tropicana Danga Cove (Ayera Residences Phase 1)	Landed, Residential	12/10/2020	90%
Tropicana Gardens (Mall)	Mall, Commercial	10/3/2020	77%
Tropicana Cheras (Phase 3)	Landed, Residential	14/8/2020	77%

Customer
Engagement
& Product
Satisfaction

Reach Out to Us

To inculcate a customer-focused culture, we created a designated Customer Care Unit that exclusively caters to the needs and queries of our customers. The aim is to provide a seamless end-to-end customer service experience that emphasised on achieving long term customer satisfaction by promptly addressing any areas of concern.

	Customer Care Line: 03-7663 6888
	Customer Care Email: customer@tropicana.com.my
	Social Media Facebook, Instagram, Project Micro-sites
	On-site Customer Representatives: Vacant Possession team members
	Tropicana 360 App: Available for download on smartphones

We created various engagement platforms that allows an open channel of communication between the Group and our customers. Each engagement avenue is catered to address any interest or concerns from our customers as promptly as possible, and provide information on our projects such as construction progress, Vacant Possession (“VP”) dates, defects report progress and more.

Customer Satisfaction
Survey

In FY2020, we distributed a total of 4,344 customer satisfaction surveys (“CSS”) and received more than 93% response rate across 12 projects. Satisfaction surveys are critical for the Group to understand the expectations of our customers. The CSS also gives us insight on areas to improve in our business operations as well as identify consumer trends for our future projects.

Despite receiving several complaints upon project VP, we work diligently with our customers and contractors to address these issues as fast as possible. We are pleased to announce that more than 80% of customers complaints have been addressed throughout the financial year and we strive to continue improving our practices in the coming years.

Survey Criteria	
1	Environmental & Community
2	Material Quality
3	Design Quality
4	Workmanship Quality
5	Development Concept

Name of Project	Tropicana Brand Rating (1-5)	Tropicana Product Recommendation to Friends & Family	Survey Response Rate	Complaints Received	Complaints Resolved
Tropicana Aman - Arahsia	3.5	87%	94%	21%	95%
Tropicana Aman - Bayan	3.9	86%	95%	32%	84%
Tropicana Aman - Cheria	4.0	95%	98%	47%	82%
Tropicana Gardens - Arnica	4.5	79%	93%	11%	100%
Tropicana Gardens - Bayberry	3.9	62%	94%	17%	100%
Tropicana Gardens - Cyperus	3.9	86%	94%	23%	99%
Tropicana Gardens - Dianthus	4.1	89%	95%	36%	100%
Tropicana Metropark - Pandora	4.4	55%	97%	24%	99%
Tropicana Metropark - Paloma	4.7	65%	94%	21%	99%
Tropicana Heights - Parkfield	4.0	76%	99%	23%	97%
Tropicana Heights - Ridgefield	4.4	98%	95%	43%	99%
Tropicana Cheras - Phase 3	4.2	100%	100%	0%	0%

Business
Digitalisation

Tropicana believes that digital transformation is not a way to stay competitive—it is fast becoming a key driver for success in this 21st Century economy. Digitisation touches every element of our business, from our data centre to customer engagement platforms. Digitalisation is not just the future, but the present. Tropicana remains committed in its efforts to digitise business operations by formulating strategies and frameworks that paves the way to develop digital solutions for many of its operations throughout the Company’s supply chain.

Innovating
Customer
Engagement

Without a doubt, the age of digital transformation was further accelerated due to the pandemic in the last financial year and advancement in technology will only continue to transform the way organisations and businesses operate in the future.

Our daily operations include frequent engagement with customers who are looking to find the perfect home from our Sales and Marketing team or require property-related services from our customer care unit (“CCU”) and vacant possession (“VP”) team. Changes to working arrangements and customer interaction further fueled our drive to innovate our daily operations to ensure that the efficiency and effectiveness of our business remains uncompromised.

To meet this demand, we embarked on a journey to enhance our customer experience by introducing the Tropicana 360 (“T360”) app – a brainchild of Tropicana that seamlessly integrates customer service and informative updates on the Group’s developments. Our internal Group IT team have worked tirelessly to tailor the T360 app to meet customer demand by considering their feedback for areas of improvements and preferred features. To date, the response to our T360 app has borne promising results garnering multiple downloads in its early stages.

Name of Project	App Downloads by Homeowners (%)
Tropicana Cheras (Phase 3)	76.31
Tropicana Danga Cove (Oasis 3)	4.84
Tropicana Danga Cove (Ayer 1)	32.96
Tropicana Gardens (Cyperus)	99.75
Tropicana Gardens (Dianthus)	18.00
Tropicana Aman (Cheria)	94.46
Tropicana Aman (Sinaria)	100.00
Tropicana Heights (Ridgefield)	98.00
The Residences	96.80

Updates to the T360 Throughout FY2020	
<ul style="list-style-type: none">Major revamp of the entire app for Android and iOS devicesProperty module updates:<ul style="list-style-type: none">Established a community group chatImproved announcement platform	<ul style="list-style-type: none">Clubhouse module updates:<ul style="list-style-type: none">Facilities bookingEstablished an Events & Promotion sectionFacilities-related updatesEstablished a Directory and Contact us section

Optimising Employee
Management

As a follow up to the newly improved Human Resource Management System (“HRMS”) we adopted in FY2019, several new features were added to the platform to further streamline in-house processes and optimise the Group’s employee engagement measures.

Features of the HRMS	
System	Benefits
<ul style="list-style-type: none">Automated issuance of monthly payslipsLeave and claims:<ul style="list-style-type: none">ApplicationApprovalRecord-keepingAnnual appraisal	<ul style="list-style-type: none">Centralised data storage systemClear reporting and approval processesMinimise paper usage and manual filing methodsImproved local support team to address technical issues

Data Privacy

The Group fosters the utmost respect for customer rights and privacy, fully adhering to the Personal Data Protection Act (“PDPA”) 2010. The same protection is extended to our employees and all other stakeholders within our supply chain. The nature of our business involves large volume of daily interactions with different groups of stakeholders across various communication platforms. In this regard, we remain cognisant of the importance of data privacy to protect any sensitive information that was disclosed and retained for business purposes.

Throughout FY2020, Tropicana received zero complaints related to breach of data privacy or personal information from all stakeholders. Any retention of information will require consent from our stakeholders for any transactions related to the Group’s business.

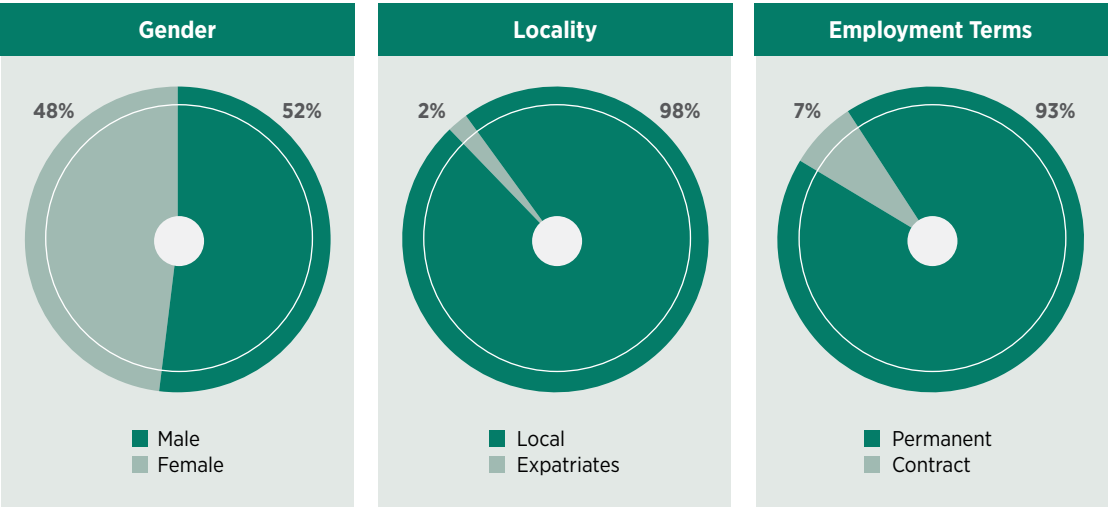
Employee
Management
and Distribution

The core of our business success is attributed to our team of highly capable and committed employees who strive to uphold the Group's promise of quality and service excellence in our products and services. We take great pride in the professionalism and talent exhibited by our people who consistently raise our brand name and reputation. Tropicana remains committed to providing equal opportunity for all our employees and strive to continuously improve our operational practices to promote a safe and conducive working environment in the years to come.

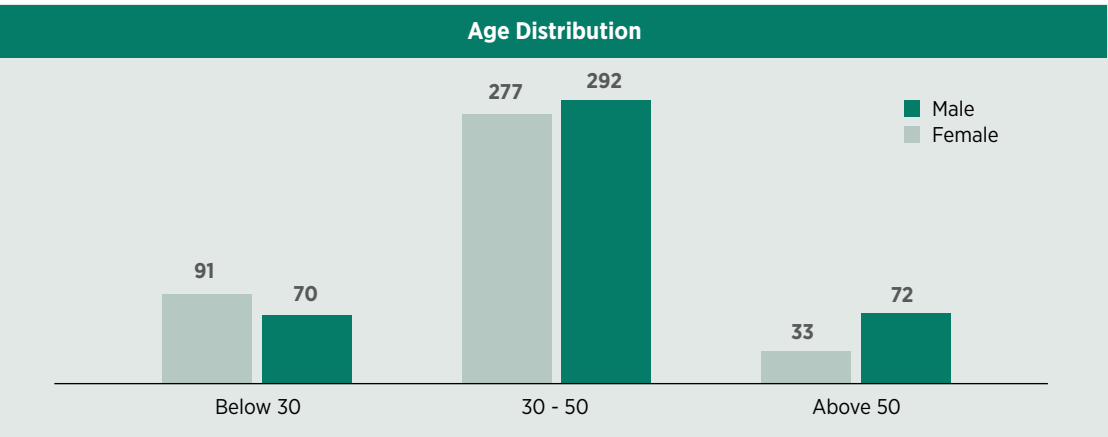
Employee
Distribution

With a solid headcount of 835 employees in FY2020, our business operations continues to expand alongside our growing development portfolio. We strongly reject any form of discrimination with regards to age, gender or creed and instead promote fair opportunities for those who wish to grow their career with us.

Further, we believe that local employment is a key factor in ensuring business sustainability given their understanding towards Malaysia's rich cultural background. As a strong industry player, we are aware of our responsibility to provide employment opportunities that serve to elevate the talent of our fellow Malaysians and allow them the opportunity to develop fulfilling career that is up to par with global standards.

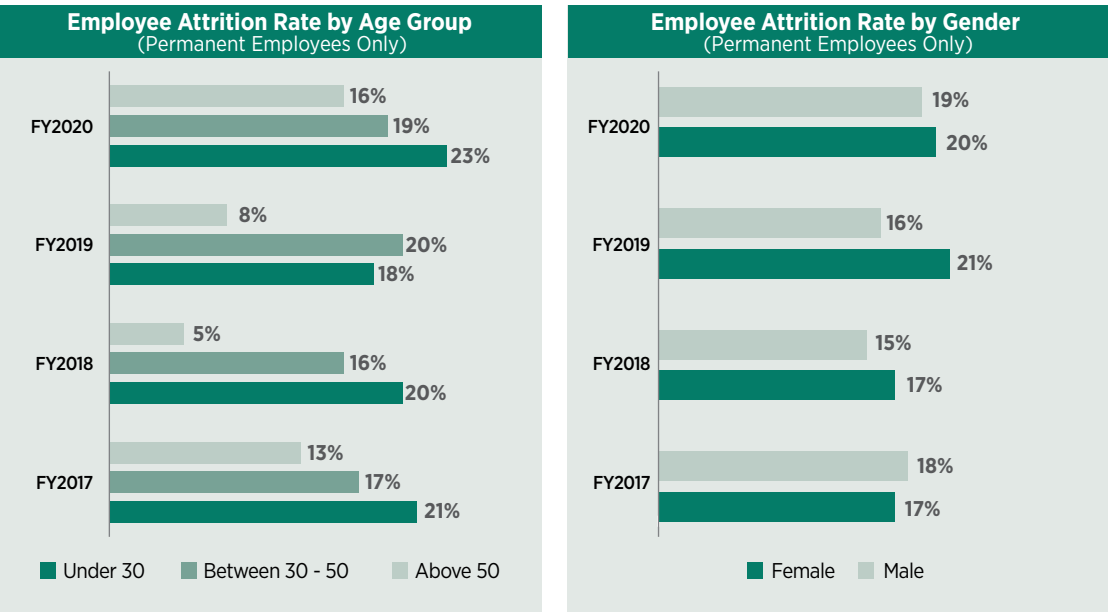


We encourage young talent to join our workforce and grow their career path with us. With a multitude of talented individuals leading our departments, there is much to learn and various opportunities to contribute fresh ideas that would allow us to meet the expectations of our customers and market demand. The age distribution of our employees reflect the Group's emphasis on creating fair opportunities for young talent while also valuing the experience and knowledge that come with a more mature age group in the industry.

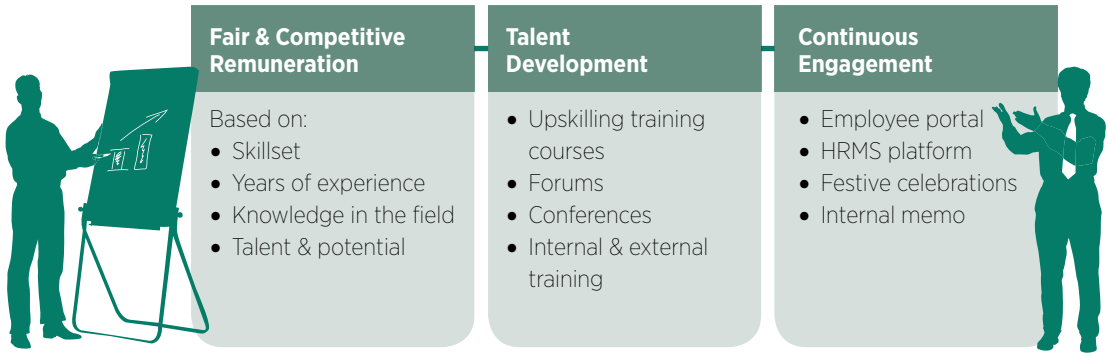


Employee
Attrition

Despite the challenging year, we maintained a strong team of employees who continue to strengthen the foundation of our organisation. A good indicator of sustainable operations are stable attrition rates despite the turbulent economy and soft property market. We have consistently maintained our attrition rates well below 25% across all age groups and gender for the past four years, assuring our employees of their job security. To ensure that our employees remain committed to Tropicana's long term vision, we uphold competitive remuneration packages and encourage career development through talent development opportunities and job advancements.



Retention Strategies



Our talents are recruited on a fair and transparent basis. We strongly reject any form of discrimination based on gender, creed or race. Backed by a team of capable representatives from our Human Resources department, our new hires are selected through interviews that aim to identify key attributes of potential candidates such as their job experience, integrity, capabilities, knowledge and potential.

Although the job market was challenging in FY2020, we were fortunate enough to be able to continue offering employment opportunities with the Group, where available, to ensure that our business operations continue to grow and society are provided the opportunity to work.

Gender	New Hires
Female	96
Male	84

Age Group	New Hires
Below 30	55
30 - 50	116
Above 50	9

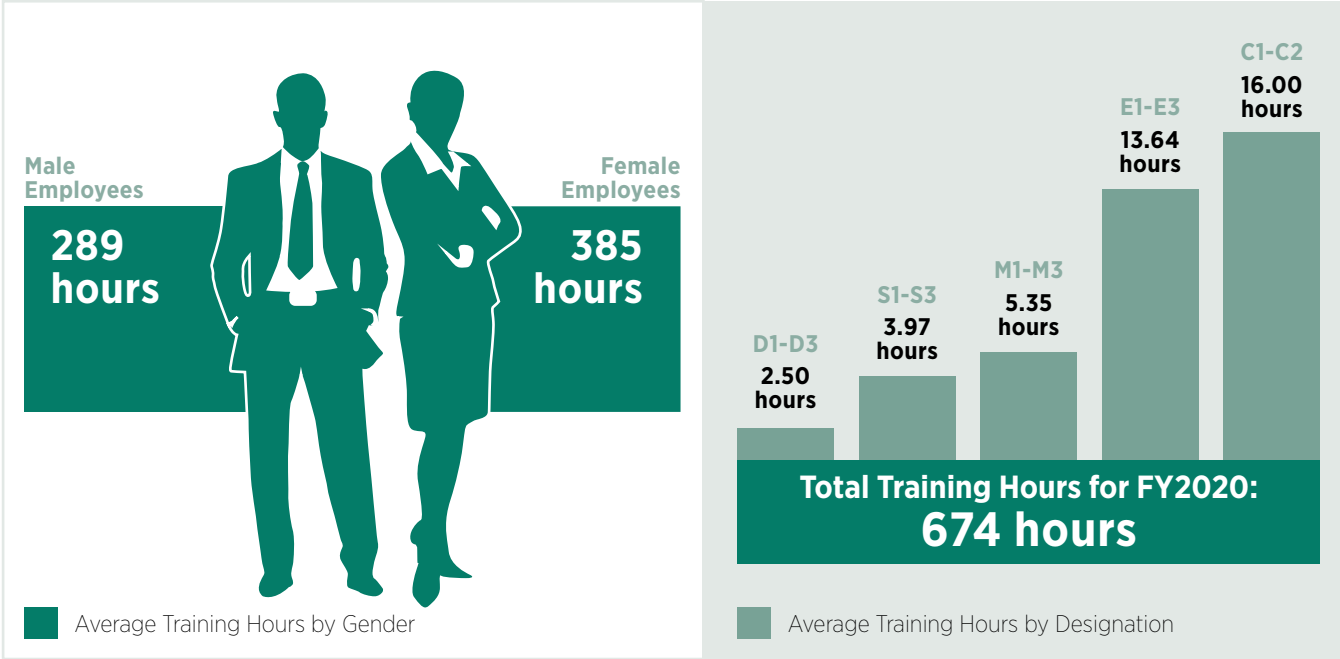
Talent
Development

At Tropicana, we believe in continuous learning to improve our craft and provide the best customer experience throughout their homeownership journey. Further, talent development also serves as a form of employee engagement that enhances career progression as well as develop skills that would serve the organisation in reaching its business objectives.

Upskilling to
Enhance Our
Services

During the unprecedented challenges we encountered in FY2020, we did not compromise our talent development initiatives despite a reduction in training hours and budget. The Group chose to shift our focus on conducting training programmes that were deemed essential to the business.

This year, we clocked in 674 training hours – investing around RM29,876 on programmes that specifically enhanced skills related to the property industry. Although our internal training sessions were greatly reduced due to logistical limitations throughout FY2020 during the MCO, we continued to encourage our employees to seek external training programmes that would add value to their career growth.



Training Programme	Programme Description
In-house	
Behavioral Interview Techniques (“B.I.T.”)	<ul style="list-style-type: none">Learn and uncover what is “not written” in the resumeIdentify candidate’s drive and motivation from the write up in their resumeHire the right candidates through effective behavioral interview techniquesLearn signs of potential deception from candidate’s body languageLearn methods to become a successful and effective hiring manager
Performance Enhancement and Employee Renewals Strategies (“PEERS”)	<ul style="list-style-type: none">Develop the right mindset for growth and development for a successful careerDevelop the right and positive attitude towards life and workBecome an effective and successful employeeWorkplace management - efficiently and effectivelyDevelop value-added self-excellence

Training Programme	Programme Description
External	
Latest Update on Sales Tax and Service Tax in Year 2020	Data Innovation in Audit: Modernisation and Simplification of Account Reconciliation
Holistic Introduction to Building Information Modeling (“BIM”)	Housing Development: Late Delivery and Defects (Law and Practice)
Property Managers Induction Course for Newly Registered Property Managers	COVID-19 Challenge - Race Against Time with Reduced Workforce in Building Construction
Tenancy and Lease Law by Hartamas Academy	Budget 2021 Webinar - Paving the Way Towards a Resilient Future
Defect Management in Stratified Buildings	Key Disclosure Obligations of Listed Company
Q&A Session on the Impact of COVID-19 Legislation on the Construction Industry	Legal Insights to Tax Audits and Investigations (Affecting Property Developers and Contractors)
Updates on Critical Tax Issues for Property Development Sector	Commercial Tenancy and Overview of Short-Term Residential Rental
Beneficial Owner S56 CA2016: Reporting Framework for Beneficial Ownership of Legal Person	Updates on Extension of Time
Tea Talk	
2020 Feng Shui and Career Outlook	<ul style="list-style-type: none">Finding your purpose in the year of the Metal Rat.What’s the World’s Economic & Investment Outlook for 2020 and where you are when it comes to your career and financial standings.How to create vibrant health and stay mentally and physically fit.Learn how to develop stronger relationships with loved ones and others who comes into your life.

Community
Support

FY2020 was a challenging year for many. Economic instability, public health threats, job insecurity and more have led to drastic livelihood changes for most of society. The property development industry was also not spared from the repercussions of the lockdown and strict control movement measures as a result of the COVID-19 pandemic.

To play our part as responsible corporate citizens, we amped up our efforts to donate and support a multitude of businesses and organisations that have been impacted by the pandemic. Additionally, we maintained strong contribution to other charitable causes in an effort to uplift the livelihood of communities for generations to come. This year, we are proud to declare more than RM5.3 million worth of donations channeled to various causes with a strong focus on education, public health and sports initiatives.

Community Donations by Tropicana Group and Respective Subsidiaries		Contribution Amount (RM)
<div></div> • Contribution to Construct SJK(C) Bukit Fraser in Tropicana Aman		2,000,000
<div></div> • Persatuan Bola Sepak Negeri Johor – Majlis Sukan Negara Malaysia		1,000,000
<div></div> • Prudential Astro Master Golf Sponsorship		72,600
<div></div> • Persatuan Penganut Buddha Kim Loo Ting Kuala Lumpur		50,000
<div></div> • Persatuan Penganut Guang Shou Jin She Kuala Lumpur dan Selangor		30,000
<div></div> • Founders Cup 2020 – Tan Sri Muhyiddin Charity Golf Foundation (“TSMCG”)		50,000
<div></div> • Royal Red Ribbon GALA in Collaboration with the Ministry of Health – Malaysian AIDS Foundation		50,000
<div></div> • Christmas Charity Luncheon – Light House Children Welfare Home Association		14,450
<div></div> • Congratulatory Contribution for the Upgrade from Majlis Perbandaran Subang Jaya (“MPSJ”) to Majlis Bandaraya Subang Jaya (“MBSJ”) – Koperasi Subang Jaya Berhad		10,000
<div></div> • Sponsorship for 10 th International Real Estate Research Symposium 2020 (“IRERS 2020”) – National Institute of Valuation		5,000
<div></div> • Majlis Makan Malam YB Menteri Kanan Pertahanan Bersama Syarikat - Syarikat Korporat		5,000
<div></div> • Joint-Venture Charity with Thai Odyssey		3,721
<div></div> • Contribution of Basic Food Sets to Pusat Khidmat Rakyat N20 Lembah Jaya		3,000
<div></div> • Sponsorship for Kastam Program Festival Virtual Run - Majlis Sukan dan Kebudayaan Kastam Malaysia		3,000
<div></div> • Contribution to Mitraland Group 21 st Anniversary Celebration		500
<div></div> • Head Scarves Sponsor for Penang Adventist Hospital Christmas Event – Penang Adventist Cancer Support Society		493

Education Sports Community Events



This year, we extended our charitable funds to specially include initiatives to fight the COVID-19 pandemic. While we are not directly involved in the medical field, we believe that it is our corporate social responsibility to provide support, where possible, to entities that worked hard to protect public health and combat the pandemic. Our contributions include medical supplies, cash donations and household goods that were gifted with the hope of alleviating some of the hardships faced by our frontliners and the healthcare sector.

COVID-19 Aid	Contribution Amount (RM)
Ministry of Health Malaysia <ul style="list-style-type: none">Supply & Deliver Kleanguard A30 Protection Suit & Face ShieldSupply & Deliver 2 Units V60 Plus VentilatorPurchase 2 Sets Logiq E Pro, 1 Set Venue Go, 1 Set Venue Go On Cart & 1 Set Venue Go Pendulum	1,000,000
Yayasan Sultan Ibrahim Johor <ul style="list-style-type: none">Contribution of Ventilators	300,000
Selangor State Government <ul style="list-style-type: none">Disposable 3-Ply Earloop Facemasks	240,000
Pahang State Government <ul style="list-style-type: none">Disposable 3-Ply Earloop Facemasks	120,000
Two (2) Units of Oxylog 3000 Plus Ventilator	120,000
Cash Donation for Tabung COVID-19 – Perbendaharaan Negeri Pahang	100,000
Charity dinner for “Kita Satu Keluarga” “We are One Family” COVID-19 Relief Program - Taiwan Buddhist Tzu-Chi Foundation Malaysia	50,000
Cash & Groceries Donation for COVID-19 Pandemic – Sekretariat Pengurusan Bencana Daerah Bentong	28,000
Hari Raya Contribution of 550 Hampers to Frontliners – Majlis Daerah Bentong	19,250

ENVIRONMENTAL AWARENESS

At Tropicana, we remain abreast on the growing call for environmental stewardship. Transforming land areas into built environment is an inevitable part of our business operations and we seek to exercise our duty as a responsible organisation to minimise our impact to natural ecosystems and biodiversity through sound environmental management systems and compliance to regulatory requirements both on a local and national scale.

Considerations given to our building activities to reduce our carbon footprint and efficient use of natural resources will ultimately go a long way in protecting the integrity of the environment for current and future generations. Our developments are designed to inculcate environmental conscientious parameters and large green spaces to optimise the use of natural resources in a sustainable manner.

Materiality Matter	Importance to Tropicana	Management Approach	UNSDGs
Environmental Compliance	To minimise environmental impact via compliance and legislative requirements throughout the Group’s supply chain.	Apply initiatives to enhance the awareness on the importance of environmental conservation and protection by adhering to regulation that aim to protect the natural environment.	
Energy Efficiency	To create awareness on responsible energy consumption practices and contribute towards minimising carbon emissions.	Apply initiatives to achieve reduction in carbon emissions, energy consumption and overall cost reduction of electricity usage	

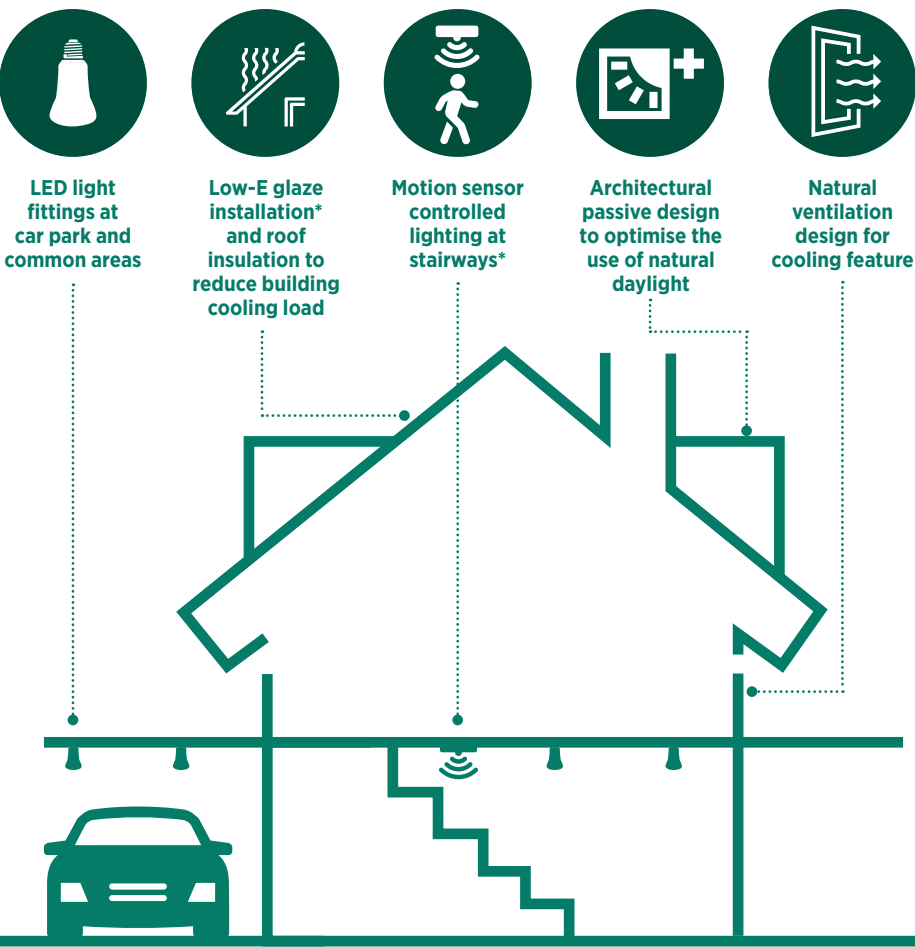
Energy Use

Our growing business inevitably contributes to increasing resource consumption, yet we remain cognisant of our operations and work diligently to identify effective resource management measures that would ensure long term environmental sustainability for generations to come.

A fundamental energy management practice we inculcated over the years is the monitoring of our electricity bills at our HQ. This allowed us to identify energy consumption trends on a monthly basis and implement control measures that would minimise wastage. During mid-FY2020, Tropicana conducted a Group-wide relocation of our HQ office from Tropicana City Office Tower located in Damansara Intan to Tropicana Gardens Office Tower in Kota Damansara. As such, our utilities tracking were slightly inconsistent as we worked on establishing a new workplace. Moving forward, we endeavor to enhance our data tracking now that we have completed our move to the new HQ and look forward to collecting more consistent electricity consumption baseline data.

Energy
Efficiency
Features

To remain a frontrunner in the industry, we understand the importance of innovation in our building designs to incorporate features that not only meet market trend but also remain environmentally responsible. Each of our development projects are integrated with energy efficiency features that either optimises the use of natural daylight and ventilation or lower electricity demand. The following list of initiatives presents several energy efficiency features across most of our projects:



* Features at Tropicana Gardens development only

Environmental
Compliance

Working in tandem with highly qualified consultants, we ensure that our development projects consistently adhere to regulatory requirements outlined by the Malaysian Government as well as regulations set out by the local authorities in the area we build.

Our strong stance on maintaining regulatory compliance has allowed us to maintain our yearly record of zero significant fines and non-monetary sanctions related to environmental laws and regulations in FY2020. As we grow, we strive to meet the expectations of our stakeholders while upholding the integrity of the law through responsible development practices.

National and Local Regulations

- Environmental Quality Act 1974
- Housing Development (Control and Licensing) Act 1966
- Land Development Act 1956
- National Landscape Policy
- Perumahan Rakyat 1Malaysia Act 2012
- Environmental Impact Assessment for prescribed activities
- Town and Country Planning Act 1976
- Strata Management Act 2013
- Manual Guideline and Selangor State Planning Standards
- GreenRE requirements (Tropicana Metropark – Commercial development)

Waste
Management

Construction
Waste

As a well established developer with multiple flagship projects across the nation, we remain well aware of the waste generated by our construction activities. This includes both scheduled waste as well as large solid wastes such as concrete by-products, steel and other materials that cannot be disposed via conventional means and require licensed waste disposal vendors.

To achieve this, our project personnel work closely with the Department of Environment (“DOE”) to ensure sound waste management practices are implemented across our project sites – avoiding any waste pollution that would result in the destruction of the environment for current and future generations.

General
Recycling

Our waste management practices are not exclusive to our project construction sites. Besides applying responsible waste disposal as prescribed by the local authorities, Tropicana entered into a partnership with a third-party recycling organisation to collect and dispose recyclable household waste.

iCycle Malaysia provided us a collaborative opportunity with regard to sound waste disposal practices and data tracking solution to identify the amount of carbon savings we generate based on the products we recycle. Although this programme is newly adopted within the Group, we successfully disposed 1,368 kg of recyclable waste throughout the financial year which generated an estimated carbon dioxide (“CO₂”) savings amount of 723.11 kg.

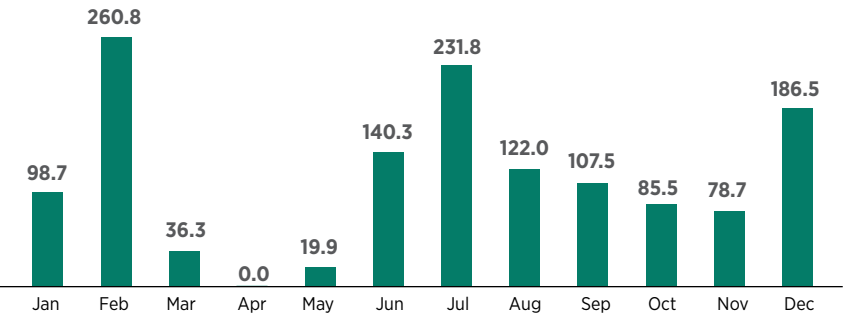
Types of Recycled Waste

- Plastic products
- Paper products
- Metal products
- Glass products
- Electronic devices
- Electrical material
- Textiles

Estimated CO₂ Savings



Weight of Recyclables Collected (kg)



Note: Carbon dioxide (“CO₂”) savings is the equivalent amount of carbon emissions saved in kilograms (“kg”) for recycled waste products that would usually be disposed into landfills. The CO₂ savings calculation was based on the criteria outlined by Jabatan Pengurusan Sisa Pepejal Negara (“JPSPN”) Malaysia data using the US-EPA calculator. No waste was collected in April 2020 due to the MCO.

50

THE ART OF TEAMWORK

As a team, we aim to add value to the lifestyles of our residents. With a keen leadership and large workforce, we are focused on building the ideal living environments. We will keep on innovating towards bigger and better experiences that empower our staff and customers with a sense of belonging.

GOVERNANCE

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DIRECTORS' PROFILE

TAN SRI DR LIM WEE CHAI

Chairman/Non-Independent Non-Executive Director



Age / Gender

63 / Male

Nationality

Malaysian

Date Appointed

24 October 2017

Date Re-designated

24 January 2019

**Total Board Meetings
Attended**

6/6

Tan Sri Dr Lim Wee Chai graduated with a Bachelor of Science Degree in Physics with Honours from the University of Malaya, Malaysia in 1982, Master of Business Administration from Sul Ross State University, Texas, United States of America in 1985, and Doctor of Philosophy in Management from the University of Selangor, Malaysia in 2015. He was conferred an Honorary Doctorate in Business Administration by Oklahoma City University, United States of America in 2016, Honorary Doctorate in Entrepreneurship by Management and Science University, Malaysia in 2018, and Honorary Doctor of Philosophy (PhD) Degree in Business Management as well as an Honorary Professorship by the University of Cyberjaya, Malaysia in 2020.

Tan Sri Dr Lim is presently the Executive Chairman and Founder of Top Glove Corporation Bhd ("Top Glove"), the world's largest manufacturer of gloves, a public company listed on the Main Market of Bursa Malaysia Securities Berhad in 2001 and the Main Board of Singapore Exchange in 2016. He is also the Trustee, Chairman and Founder of Top Glove Foundation, a philanthropic arm of Top Glove.

Tan Sri has been actively involved in many associations and organisations in Malaysia. He is an Honorary Fellow of Institut Fizik Malaysia ("IFM") since 2019, President Emeritus in 2019/2020 and Council Member since 2010 of the Federation of Malaysian Manufacturers ("FMM"), Life Honorary Advisor of the Federation of Chinese Associations Malaysia since 2011, Honorary President of the Associated Chinese Chambers of Commerce and Industry of Malaysia ("ACCCIM") since 2017, Chairman in 2019 and Non-Independent Non-Executive Director since 2017 of Tropicana Corporation Berhad, Life Honorary President of the Federation of Hokkien Associations of Malaysia since 2017, Honorary President of the Kuala Lumpur and Selangor Chinese Chamber of Commerce and Industry ("KLSCCCI") since 2017, Honorary President of the Malaysia-China Chamber of Commerce since 2012, Honorary Advisor of the Klang Chinese Chamber of Commerce since 2011, Honorary Advisor of the Lim Association of Malaysia since 2011, Tzu Chi Foundation Commissioner and Volunteer and Director of Kuen Cheng High School since 2008.

He was the former President of the Federation of Malaysian Manufacturers ("FMM") in 2016/17. He served as a Director and Board Member of the University of Malaya from 2015 to 2018, Director and Board Member of the Employees Provident Fund from 2015 to 2020, past Council Member of the East Asia Business Council ("EABC") from 2011 to 2015, and Director of the Association of Malaysian Medical Industries ("AMMI"). In addition, he was a Board Member of the Malaysian Rubber Board from 1998 to 1999 and also the President of the Malaysian Rubber Glove Manufacturers Association ("MARGMA") from 1997 to 1999. Prior to that, he served as Vice-President, Honorary Secretary and Treasurer of MARGMA for seven (7) years.

Tan Sri Dr Lim does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

TAN SRI DATO' TAN CHEE SING

Group Executive Vice Chairman



Age / Gender

66 / Male

Nationality

Malaysian

Date Appointed

24 January 2019

**Total Board Meetings
Attended**

6/6

Tan Sri Dato' Tan Chee Sing is the founder of Tropicana. Tan Sri Dato' Tan has interests in a wide range of businesses and industries, and has taken his entrepreneurial expertise and business management into areas as diverse as property development & property management, property investment, recreation & resort, investment holding, entertainment, and education. He has amassed a prolific catalogue of achievements and subsequently garnered recognition as one of Malaysia's Top Business Icon for his role in the development and modernisation of the nation.

He was previously appointed as Chairman and the Group Chief Executive Officer of Tropicana on 5 July 1995. On 7 January 2013, he relinquished his position as the Group Chief Executive Officer and was redesignated as the Group Executive Vice Chairman of Tropicana. He resigned as the Group Executive Vice Chairman and Director of Tropicana on 18 June 2015 and served as the advisor of Tropicana until he assumed his current position as the Group Executive Vice Chairman of Tropicana on 24 January 2019.

He is also the Group Executive Vice Chairman of Tropicana Golf & Country Resort Berhad (a wholly-owned subsidiary of Tropicana) and the Deputy Chairman of the Tropicana Foundation.

Tan Sri Dato' Tan Chee Sing's son, Mr Dion Tan Yong Chien, is the Group Managing Director of Tropicana. Mr Jared Ang Tzer Shen is the son-in-law of Tan Sri Dato' Tan and he is the Group Executive Director of Tropicana. Save as disclosed, he does not have any family relationship with any other Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

Directors’
Profile

LEE
HAN MING

Group Chief Executive Officer

Member of the Investment Committee of Tropicana.

Age / Gender
55 / Male

Nationality
Malaysian

Date Appointed
4 February 2021

Total Board
Meetings Attended
0/0



Mr Lee Han Ming is a Civil Engineer by profession, having graduated with a Bachelor of Engineering (Hons) Civil Engineering from University of Bristol, United Kingdom. Subsequently, he also holds a Master of Business Administration (MBA) from University of Bradford, United Kingdom.

He has more than 30 years of experience in the property industry and held several senior key positions in other listed property development companies. He started his career as design consultants in the United Kingdom. He was also involved in large-scale international projects such as KLIA as well as pioneered regional expansion of property development to a new geographical area.

He joined Tropicana to spearhead the property and resort development projects in Tropicana Grandhill in Genting Highlands and overseeing development projects in Southern Region. He was subsequently promoted to Group Chief Executive Officer on 4 February 2021 and assumed a wider role to oversee Group-wide project developments. This promotion is part of Tropicana’s strategic move to strengthen its senior leadership team to steer the Group forward and unlock its valuable landbanks across Malaysia. Together with Tropicana’s senior team, Mr Lee aims to realise the company vision and implement strategic growth plans across multiple locations via a fitting product range that cater to appeals to different customer segments and is aligned with the changing market trends.

Mr Lee Han Ming does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

Mr Lee did not attend any Board meetings held in the financial year as his appointment was after the financial year.

DION
TAN YONG CHIEN

Group Managing Director

Member of the Investment Committee, Risk Management Committee and Pricing Committee of Tropicana.

Age / Gender
31 / Male

Nationality
Malaysian

Date Appointed
18 June 2015

Date Re-designated
2 October 2017

Total Board
Meetings Attended
6/6



Mr Dion Tan Yong Chien holds a double degree in Bachelor of Science and Master of Science. In 2011, he graduated from the prestigious University College London, United Kingdom, mastering in Bachelor of Science, Information Management for Business. In 2012, he went on to pursue a Master of Science in Management with Information Systems and Innovation from London School of Economics, United Kingdom.

He started his career with Accenture – a multinational Fortune Global 500 company that provides consulting and technology services – as their strategy consultant in multiple fields such as telecommunications, media, and property sectors. Backed by his experience, Mr Dion Tan was appointed as the Executive Director on 18 June 2015 and re-designated to Group Managing Director on 2 October 2017.

He is currently steering the Group’s strategic growth and expansion activities as well as overseeing key operational and supporting divisions of the Group. He is responsible for the fortification of project development, project delivery, and contract as well as oversees branding, marketing, sales, group asset management and, digitalisation masterplan for the Group. He also supports the crisis management team and ensures guidelines are communicated. Together with the founder of Tropicana and its senior team, he actively supports the Tropicana Foundation, providing much-needed assistance to worthy causes for the underprivileged community.

Mr Dion Tan sits on the board of Tropicana Golf & Country Resort Berhad (a wholly-owned subsidiary of Tropicana), Thai Odyssey Sdn Bhd, Bay Group Holdings Sdn Bhd (CapBay) as well as several private limited companies locally. He is a trustee of the Tropicana Foundation.

His father, Tan Sri Dato’ Tan Chee Sing, is the Group Executive Vice Chairman and major shareholder of Tropicana. He is also the brother-in-law of Jared Ang Tzer Shen. Save as disclosed, he does not have any family relationship with any other Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

JARED
ANG TZER SHEN

Group Non-Independent Executive Director

Member of the Pricing Committee of Tropicana.

Age / Gender
35 / Male

Nationality
Malaysian

Date Appointed
13 October 2020

Total Board
Meetings Attended
2/2



Mr Jared Ang Tzer Shen graduated with an MEng (First Class Honours) in Chemical Engineering from Imperial College London. He started his career in management consulting with A.T.Kearney, focused on analytics, strategy, and stakeholder management, before obtaining an MBA from INSEAD, where he was awarded the Dean’s list and was selected as one of the top twenty students to attend an exchange programme with Wharton Business School. He has been involved in portfolio management and fundraising, covering a variety of sectors including retail, healthcare, and education namely Creador who owns/owned GHL, OldTown White Coffee, CTOS, and Mr. DIY.

Appointed on 13 October 2020 as the Group Executive Director of Tropicana, Mr Jared Ang manages and oversees the Corporate Finance and special project division for the Group. With his expertise, he has assumed more responsibilities, overseeing the Group Asset Management, Finance as well as Marketing and Sales division.

He also serves as the Director of Thai Odyssey Sdn Bhd, Royce Malaysia, and Easypay Transfers.

Mr Jared Ang is the son-in-law of Tan Sri Dato’ Tan Chee Sing, who is the Group Executive Vice Chairman of Tropicana and major shareholder of Tropicana. He is also the brother-in-law of Mr Dion Tan Yong Chien who is the Group Managing Director of Tropicana. Save as disclosed, he does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

DATUK MICHAEL
TANG VEE MUN

Senior Independent Non-Executive Director

Chairman of the Investment Committee, Remuneration Committee and is a member of Nomination Committee and Risk Management Committee of Tropicana.

Age / Gender
47 / Male

Nationality
Malaysian

Date Appointed
13 November 2009

Total Board
Meetings Attended
6/6



Datuk Michael Tang Vee Mun graduated with a Bachelor of Laws (Honours) degree from the London School of Economics and Political Science, University of London, and was admitted as a Barrister-at-Law of the Honourable Society of Lincoln’s Inn, London. He is also the principal of Mettiz Capital Limited, private equity, and alternative investments firm.

Datuk Michael was appointed as an Independent Non-Executive Director on 13 November 2009 and re-designated as Senior Independent Non-Executive Director on 7 December 2020. Datuk Michael has significant experience in corporate and financial matters spanning across various asset classes including real estate, natural resources, energy, healthcare, technology, and manufacturing. He commenced his career as a legal practitioner and was previously a partner of a multi-disciplinary law firm in Malaysia.

Beyond the business sphere, he was a founding trustee of 1Malaysia Community Alliance Foundation, a charitable entity dedicated to crisis relief and community services, and the Gold Coast Dharma Realm in Australia. He is also active in the sports arena, being the Treasurer of Badminton Association of Malaysia, a member of the Trust Management Committee of the Olympic Council of Malaysia, and a member of the Commercialisation and Sponsorship Committee of the National Sports Council.

He was conferred the ‘Panglima Jasa Negara’ by His Majesty the Yang Di-Pertuan Agong in 2015.

Datuk Michael Tang has no directorship in other public companies in Malaysia.

Datuk Michael Tang does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

Directors’
Profile

MOHD NAJIB
BIN ABDUL AZIZ

Independent Non-Executive Director

Chairman of the Audit Committee and Pricing Committee and is a member of the Nomination Committee, Investment Committee and Remuneration Committee of Tropicana.

Age / Gender
47 / Male

Nationality
Malaysian

Date Appointed
13 July 2016

Total Board
Meetings Attended
6/6



Mr Mohd Najib Bin Abdul Aziz is an accountant by profession and graduated with a Bachelor of Commerce (Accounting) Degree from the University of New South Wales, Australia. He is a member of the Institute of Chartered Accountants in Australia (“ICAA”) as well as a member of the Malaysian Institute of Accountants (“MIA”).

He was the Assistant Manager of Global Corporate Finance in Arthur Andersen & Co. and had held the position of Senior Consultant with the Corporate Recovery Division of KPMG for three years in Perth, Western Australia. He was previously an Independent Non-Executive Director of Kumpulan Jetson Berhad, ECM-Avenue Securities Sdn Bhd, and Alam Flora Sdn Bhd.

Mr Mohd Najib was appointed as an Independent Non-Executive Director of Tropicana on 13 July 2016. Mr Mohd Najib is also currently an Independent Non-Executive Director of Bina Puri Holdings Berhad and the Managing Director of Corporate-Pacific Holdings Sdn Bhd. He also serves as a Non-Executive Director of GCM Resources PLC, a company listed on the AIM market under the London Stock Exchange.

Mr Mohd Najib does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

DATUK WIRA
LYE EK SEANG

Independent Non-Executive Director

Chairman of the Nomination Committee and is a member of the Remuneration Committee, Investment Committee and Pricing Committee of Tropicana.

Age / Gender
56 / Male

Nationality
Malaysian

Date Appointed
9 November 2018

Total Board
Meetings Attended
6/6



Datuk Wira Lye Ek Seang graduated from the University of Malaysia, mastering in Bachelor of Science (Hons) degree in Mathematics.

Datuk Wira was appointed as an Independent Non-Executive Director on 9 November 2018. He was also the Non-Independent Non-Executive Director of Magna Prima Berhad from 2007 to 2009. Subsequently, he was appointed as a Deputy Executive Chairman of Ho Hup Construction Company Berhad from 2008 to 2010. He also served as a Non-Executive Director of Minetech Resources Bhd from 2008 to 2014 and a Non-Independent Non-Executive Director of REDtone International Bhd from 2014 to 2016.

Presently, he is an Executive Director of Berjaya Assets Berhad and Trustee of Tropicana Foundation. He also sits on the board of several private limited companies.

He was the director of Cardiff City Football Club from 2013 to 2017. He is also shareholder of Edusphere, a Cyberjaya property development which partnership with HCK Capital Berhad, which owns University of Cyberjaya.

Datuk Wira does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

ALICE DORA
BOUCHER

Independent Non-Executive Director

Member of the Risk Management Committee, Pricing Committee, Nomination Committee and Audit Committee of Tropicana.

Age / Gender
63 / Female

Nationality
Malaysian

Date Appointed
26 February 2019

Total Board
Meetings Attended
6/6



Ms Alice Dora Boucher holds a Bachelor of Economics (2nd Upper) from the University of Malaya.

She started her career in 1981 as an officer and Money Market Dealer in Arab Malaysian Merchant Bank (formerly known as Arab Malaysian Development Bank) (the “Bank”). In 1984 she moved to the Corporate Banking Department of the Bank and rose to the level of General Manager. She was later promoted to Head, Credit Risk Department in 2002 which was responsible for credit analysis and evaluation of the Bank’s corporate lending activities. From July 2012 till January 2017, she served as an Executive Vice President, Managing Director’s Office, Wholesale Banking. On 26 February 2019, she was appointed as an Independent Non-Executive Director of Tropicana.

Ms Boucher has more than 36 years of working experience in Corporate and Investment Banking. She was involved in providing financial solutions to companies involved in various industries such as property development, manufacturing, plantations, and oil & gas. She also has exposure to credit risk management during her tenure at the bank and was a member of the Bank’s credit committee for approval of loans and other funding proposals.

Ms Boucher has no directorship in other public companies in Malaysia.

Ms Boucher does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

TAN SRI DATO’ SRI
MOHAMAD FUZI BIN HARUN

Independent Non-Executive Director

Chairman of the Risk Management Committee of Tropicana.

Age / Gender
62 / Male

Nationality
Malaysian

Date Appointed
27 October 2020

Total Board
Meetings Attended
2/2



Tan Sri Dato’ Sri Mohamad Fuzi Bin Harun is a retired Inspector-General of the Royal Malaysia Police (“IGP”) who had served the Police Force for 35 years.

He joined the Royal Malaysia Police in 1984. After completion of the basic police trainings, he was attached to the Special Branch Department from 1986 to 2014 and served in various capacities, including Deputy Director of the Special Branch and Director of Special Task Force on the operation and counter-terrorism. He had also served as the Director of the Management Department for more than a year and was subsequently promoted as the Director of the Special Branch in July 2015.

In September 2017, he was further promoted as the IGP, the highest-ranking position in the Royal Malaysia Police, until his retirement in May 2019. He was appointed as an Independent Non-Executive Director of Tropicana on 27 October 2020.

Currently, he is also an Independent Non-Executive Chairman of Jaya Tiasa Holdings Bhd and holds directorships in several private limited companies.

Tan Sri Dato’ Sri Mohamad Fuzi does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

Directors'
ProfileVIVIENNE
CHENG CHI FAN

Independent Non-Executive Director

Member of the Audit Committee and Risk Management Committee of Tropicana.

Age / Gender
61 / Female

Nationality
Malaysian

Date Appointed
7 December 2020

Total Board Meetings Attended
0/0



Madam Vivienne Cheng Chi Fan graduated with a Bachelor of Economics (Accounting) from Monash University, Australia in 1982 and was subsequently admitted as a member of the Australian Society of Accountants.

She was appointed to the Board of Berjaya Corporation Berhad on 15 September 2005 as an Executive Director and was subsequently appointed as an Independent Non-Executive Director of Tropicana Corporation Berhad on 7 December 2020.

She has 38 years of experience managing Project Financing, Debt & Equity Capital Funding, Corporate and Debt Restructuring, Credit Analysis, Privatisation, Initial Public Offerings, and Group Treasury Cash Management in various sectors ranging from Financial Services, Consumer Products & Services, Hotels & Resorts, Property Development, Gaming & Lottery Management, Motor Trade & Distribution, Food & Beverage, Environmental & Clean Technology Services, Construction, Education and Telecommunications.

She is also responsible for the Money Lending/Leasing and Hire Purchase and Nominees Department of the Group. Prior to joining the Treasury Department of Berjaya Group Berhad in 1989, she was attached to Sunway Group of Companies for 6 years and headed its Treasury Division.

Currently, she is also an Executive Director of Berjaya Group Berhad, Director of Cosway Corporation Berhad, Chailease Berjaya Sdn Bhd, and Singapore Institute of Advanced Medicine Holdings Pte Ltd (pioneer of Proton Therapy in Singapore) and several other private limited companies in the Berjaya Corporation group of companies.

Madam Vivienne Cheng does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

Madam Vivienne did not attend any Board meetings held in the financial year as her appointment was on 7 December 2020.

DATUK SIW
CHUN A/P EAM

Independent Non-Executive Director

Member of the Nomination Committee and Remuneration Committee of Tropicana.

Age / Gender
57 / Female

Nationality
Malaysian

Date Appointed
4 February 2021

Total Board Meetings Attended
0/0



Datuk Siw Chun A/P Eam graduated with a Bachelor of Business Management from Pennsylvania State University in the United States.

Datuk Siw started her career as the Municipal Councilor of Kangar, Perlis from 1993 to 1998. Later in 1999, she was appointed as Special Assistant to YAB Menteri Besar Perlis before she became a Senator in 2002.

During her tenure as Senator, she represented the Siamese Community in Parliament before her term ended in 2008. She was also the Former President of the Malaysian Siamese Association (formerly called 'Thai Association') from 2002 to 2012.

She was appointed as an Independent Non-Executive Director of Tropicana on 4 February 2021. She is also the current Umno Padang Petani Branch Chairman.

She was involved in businesses and was a Regional Director of Bina Puri (Thailand) Ltd and Director to a few private limited companies. She is currently the Executive Director of Bina Puri South (Thailand) Ltd.

She is also actively participated in various Non-Governmental Organisations and currently, she is the President of both Yayasan Orang Siam Malaysia and Yayasan Chalong Roschinda.

Datuk Siw does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

Datuk Siw did not attend any Board meetings held in the financial year as her appointment was after the financial year.

DATO' DR TEO
TONG KOOI

Independent Non-Executive Director

Member of the Audit Committee of Tropicana.

Age / Gender
63 / Male

Nationality
Malaysian

Date Appointed
25 March 2021

Total Board Meetings Attended
0/0



Dato' Dr Teo Tong Kooi holds a Doctorate degree in Professional Studies in Management jointly offered by New York Fordham University & Peking University, and a Master in Business Administration from Golden Gate University, USA.

Dato' Dr Teo is an accomplished senior executive with a broad range of industry experience in multinational corporations and conglomerates with 16 years in corporate and commercial banking, 8 years in the manufacturing sector, and 9 years in property development and real estate investment. Dato' Dr Teo has demonstrated exceptional leadership skills and management experiences with proven and consistent track records in the execution of strategic, organic, and mergers and acquisitions business plans, driving business performance, transformation, and turn-around management. Since 2004, he has spent a considerable amount of time in China managing multiple organisations and businesses.

In March 2008 Dato' Dr Teo assumed the position of Chief Executive Officer of DPS Corporate Advisory Company Limited, Beijing, China. DPS is a financial and management consulting arm of Head International Group ("HIG") which is China's leading products and services certification provider. On 25 March 2021, he was appointed as an Independent Non-Executive Director of Tropicana. He is also an Independent Non-Executive Chairman of Rubberex Corporation (M) Berhad, and Independent Non-Executive Director of China Automotive Systems, Inc (CAAS) which is listed on Nasdaq.

Dato' Dr Teo was previously the Group MD of Guocoland China, CEO of WCT Group Vietnam and China Operations, CEO of Hong Leong Asia Ltd, Group MD of Tasek Corporation Berhad, COO of Hong Leong Bank Malaysia, and Head of Corporate Banking Deutsche Bank Malaysia.

Dato' Dr Teo does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

Dato' Dr Teo did not attend any Board meetings held in the financial year as his appointment was after the financial year.

DATO' SRI BADRUL HISHAM
BIN ABDUL AZIZ

Independent Non-Executive Director

Age / Gender
35 / Male

Nationality
Malaysian

Date Appointed
11 May 2021

Total Board Meetings Attended
0/0



Dato' Sri Badrul Hisham Bin Abdul Aziz holds a Bachelor's Degree in Mechanical Engineering from Institute Kemahiran Mara. He has more than 10 years of experience in various business segments such as construction, property development, food and beverages, information technology (IT), and others services.

In 2017, he was appointed as the Director of Securelytics Sdn Bhd, a comprehensive cybersecurity systems management company with international partners in Indonesia, Singapore, and Germany. Under his leadership, the company has won various awards and recognised by the Malaysian Government.

With his experience and expertise in the property development and construction segment, he was invited to join Exomurni Sdn Bhd in 2008 as their Director. With his strong business acumen and foresight, he has successfully driven the company into completing various government and private projects that were worth more than RM500 million. Dato' Sri Badrul also serves as an Executive Director at Multimax Development Sdn Bhd, a property development company based in Johor. His key strengths lie in turning innovative ideas into a functioning business model that encompasses strategic growth plans and sustainable profit opportunities. On 11 May 2021, he was appointed as an Independent Non-Executive Director of Tropicana.

Dato' Sri Badrul does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

Dato' Sri Badrul did not attend any Board meeting held in the financial year as his appointment was after the financial year.

Note:

None of the Directors of Tropicana has any conviction for offences within the past 5 years (traffic offences excluded from contemplation), and any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

SENIOR MANAGEMENT PROFILES

DILLON TAN YONG CHIN

37 . Male . Malaysian

Group Managing Director (Southern)
at Tropicana Corporation Berhad



Date of Appointment to Executive Position:
30 Nov 2009

Mr Dillon Tan graduated with a Bachelor of Science (Honours) in Business Management from King's College, University of London, United Kingdom in 2004. He obtained a Master of Science in Information Security from Royal Holloway, University of London, United Kingdom in 2005.

Mr Dillon has vast experience and in-depth involvement in the property and hospitality sector both locally and internationally. He sits on the Board of Tropicana Golf & Country Resort Berhad (a wholly-owned subsidiary of Tropicana) as well as several private limited companies which are subsidiaries to Tropicana Corporation Berhad. Mr Dillon also sits on the Board of several foreign private limited companies.

His father, Tan Sri Dato' Tan Chee Sing, is the Group Executive Vice Chairman and a major shareholder of Tropicana. His brother, Mr Dion Tan Yong Chien, is the Group Managing Director of Tropicana, and another brother, Mr Din Tan Yong Chia, is the Executive Director of Tropicana Corporation Berhad. Save as disclosed, he does not have any family relationship with any other Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

DIN TAN YONG CHIA

28 . Male . Malaysian

Executive Director
at Tropicana Corporation Berhad



Date of Appointment to Executive Position:
2 January 2018

Mr Din Tan graduated with a Bachelor of Science in Management from Cass Business School, City University, London in 2014. He obtained a Master of Science in Management with Information Systems and Digital Innovation ("MISDI") from the London School of Economics and Political Science, United Kingdom in 2015.

After an internship with Morgan Stanley in their Private Wealth Management division, Din joined the Digital Marketing division of a local tech startup for a year, prior to joining Tropicana's Marketing Department. He also serves as a Managing Director of Thai Odyssey Sdn Bhd.

Mr Din Tan is the son of Tan Sri Dato' Tan Chee Sing, who is the Group Executive Vice Chairman of Tropicana and major shareholder of Tropicana. He is also the brother of Mr Dillon Tan Yong Chin, the Group Managing Director (Southern) of Tropicana and Mr Dion Tan Yong Chien, the Group Managing Director of Tropicana.

LIM LAI SENG

52 . Male . Malaysian

Managing Director, Group Finance
at Tropicana Corporation Berhad



Date of Appointment to Executive Position:
1 July 2018

Mr Lim Lai Seng is a chartered accountant by profession. He graduated with a Bachelor of Business (Accounting & Finance) from Deakin University, Australia. He also holds the status of CPA conferred by CPA Australia, a mark of high professional competence, a registered accountant as well as a chartered accountant, Malaysia.

He has been in finance for the past 28 years in various sectors ranging from audit, tax, company secretarial services, as well as the plantation and property sectors. He has held several key management positions, among others, Group Financial Controller of IOI Corporation Bhd, Chief Financial Officer of Tradewinds (M) Bhd, Senior Finance personnel of PT Tiara Ari Kencana & Kerry Plantation Services Indonesia, Director of PT Pundi Kencana, and Chief Financial Officer of Johore Tenggara Oil Palm Bhd.

Currently, he is in charge of Tropicana Group's Finance Division, which consists of Treasury, Group Reporting, Project Finance, Tax, Credit Admin, Risk Management, and General Admin. Apart from having vast general experience in Finance, Mr Lim's experience saw him being project lead in numerous corporate exercises, including takeovers, mergers, demergers, and Initial Public Offerings. Mr Lim also has vast exposure in leading various funding exercises, including issuances and buy backs of USD and MYR Bonds, corporate ratings, structuring corporate debt programs, and general corporate funding.

Mr Lim Lai Seng does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

JOANNE LEE SOR PHAIK

50 . Female . Malaysian

Managing Director, Marketing & Sales and Group Procurement
at Tropicana Corporation Berhad



Date of Appointment to Executive Position:
1 July 2019

Ms Joanne Lee brings with her over 30 years of professional experience across various industries from Property Development, Construction, Manufacturing, Food & Beverage, Hospitality, Retail & Shopping Malls, Gaming & Leisure, and Healthcare & Agricultural. Graduated from the National University of Malaysia, mastering the Bachelor of Business Administration, Ms Lee served in multinational and public listed companies such as Fujitsu, Lion Group, and Lafarge Roofing. Backed by strong business acumen, she solidified her expertise in Procurement, Purchasing, and Trading. Her experience includes Head of Procurement for IGB Berhad, General Manager of Nam Fatt Marketing Sdn Bhd as well as Chief Operations Officer of Food & Beverage division at TT Resources Bhd. She has successfully set up, established, and centralised all group sourcing as well as procurement activities which have led to significant cost savings and quality delivery.

Since 2010, Ms Lee has played an integral role in the growth and success of Tropicana Corporation Berhad. She now oversees the Marketing & Sales department and Business Development ("BD") division by strategically leading all Tropicana sales, marketing, and BD activities locally and internationally. Her leadership qualities, agility, and foresight contributed to brand & business positioning as well as sales & marketing optimisation. She also plays a leadership role in the acquisition of strategic assets, disposal of non-strategic assets, and monetisation of landbanks. Aside from that, Ms Lee has incorporated and managed Tropicana Building Materials Sdn Bhd, an inhouse trading company to supply building materials for all Tropicana projects plus providing support for interior design and renovation solutions for Tropicana homeowners upon vacant possession. She is also a member of the Malaysian Institute of Purchasing and Materials Management ("MIPMM") and Building Materials Distributors Association of Malaysia ("MBAM").

Ms Joanne Lee does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

Senior
Management
Profiles

PETER
KUAN TECK SING

59 . Male . Malaysian

Managing Director, Project
at Tropicana Corporation Berhad



Date of Appointment to Executive Position:
13 August 2019

Mr Peter Kuan graduated with a Bachelor of Science in Civil Engineering from Hatfield Polytechnic, Hertfordshire, United Kingdom. His forte lies in project management and design management whereby he is always on top of his game in terms of design finalisation as well as in cost & budgeting measures in every project that he handles. Prior to this, he was the General Director/Project Director in Hongkong Land Pte Ltd in Vietnam.

Among his key expertise includes running feasibility studies, project management, property management, township development in which he reviews and values all improvement recommendations for enhancements, renovations, refurbishments, value engineering and also coordinating with relevant authorities based on their requirements to obtain approvals for various projects. Part of his portfolio also deals with construction cost, cost planning, and exercising the best pricing for projects.

Currently, he is spearheading the property and resort development projects in Langkawi and overseeing development projects in the Northern Region.

Mr Peter Kuan does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

ANDREW ASHVIN
S/O PODIMHATIA

48 . Male . Malaysian

Managing Director, Group Assets Management
at Tropicana Corporation Berhad



Date of Appointment to Executive Position:
1 October 2019

Mr Andrew Ashvin is a Certified Marketing Manager, Certified Operations Manager, Certified Administration Manager, and a Certified Complex Manager by the Malaysian Association of Shopping & Highrise Complex Management, in which he is also a member.

Mr Ashvin has more than 26 years of retail and mixed property management experience. His previous stints with the Penas Group in Penang, Carrefour Malaysia, Mayland Group, Hong Leong Group, and Suria KLCC Sdn Bhd have helped nurture his expertise in all aspects of mall and property management in general.

He passionately believes that a mall is more than just bricks and mortar. Each possesses its own unique character and personality. It is a meeting place, a destination, a melting pot of culture that creates a unique ambiance for leisure, commerce, and entertainment.

He has been serving the Tropicana Group for 9 years and heads the Group Assets Management division as their Managing Director.

Mr Andrew Ashvin does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

KAREN
LEE GIA YUANN

42 . Female . Malaysian

Managing Director (Southern)
at Tropicana Corporation Berhad



Date of Appointment to Executive Position:
1 November 2020

Ms Karen Lee is an Associate of the Chartered Quality Institute (“CQI”) and holds a Diploma in Interior Design as well. She has more than 19 years of experience in local and overseas construction projects and property development industries.

She joined Tropicana in 2013 and spearheaded multiple commercial and township developments in the Southern Region. Her notable achievements include the completion of 163 acres of reclamation works for Lido Waterfront Boulevard, launching Tropicana Industrial Park at Pontian, and other mixed-use commercial developments at Gelang Patah to expedite the western corridor economy in Johor Bahru.

Ms Karen Lee does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

CHING
HONG TAT

46 . Male . Malaysian

Managing Director, Business Development
at Tropicana Corporation Berhad



Date of Appointment to Executive Position:
1 October 2017

Mr Ching Hong Tat graduated with a Bachelor Degree of Accounting from University of Malaysia and is a member of the Malaysian Institute of Accountants.

He has more than 22 years of working experience in various industries including property development, agriculture, financial services, manufacturing, construction and industrial products. He joined Tropicana on 1 May 2010 as Deputy General Manager and was subsequently promoted to Managing Director of Tropicana on 1 October 2017. He was involved in business development, mergers and acquisitions, listing, fundraising and systems implementation. He is currently responsible for strategic planning and identifying new business opportunities. He also supports the financial and operations matters.

Mr Ching Hong Tat does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

Senior
Management
Profiles

JEFFREY
TAN SIEW YANG

47 . Male . Malaysian

Executive Director, Group Legal
at Tropicana Corporation Berhad



Date of Appointment to Executive Position:
1 October 2017

Mr Jeffrey Tan holds the degrees of Bachelor of Laws and Bachelor of Commerce (Accounting) from Monash University, Australia (B.Com/LLB) and Master of Science (Information Technology in Business) from the University of Lincoln, United Kingdom (MSc.IT). Before joining the Group, he was formerly a partner at an international law firm in Malaysia, a registered Trade Mark and Industrial Designs Agent, and a licensed registered foreign lawyer in Singapore.

Mr Tan is currently the Executive Director of Group Legal. He brings with him substantial experience in the areas of corporate, commercial, conveyancing, and litigation. He has structured, negotiated, and completed numerous land acquisitions/disposals for the Group and resolved dispute matters successfully. He was also the key member in the Group's asset injection corporate exercises involving the acquisition of prime land parcels in the Klang Valley, Johor Baru, Penang, and Sabah, and in the perpetual sukuk programme for the issuance of unrated and senior ranking perpetual sukuk.

Mr Tan has been with the Group for close to 11 years and is a seasoned general counsel. He provides a comprehensive in-house legal service to the Group with many different work streams and practice groups. He has also authored many articles and has presented papers at legal seminars and regional conferences. He was the panel judge for Malaysian law firms and lawyers at the Asian Legal Business Malaysia Law Awards in 2018 and 2019.

Mr Jeffrey Tan does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

MOHD ZAPI
BIN ABDULLAH

48 . Male . Malaysian

Executive Director, Authority Liaison
at Tropicana Corporation Berhad



Date of Appointment to Executive Position:
1 January 2017

Mr Mohd Zapi Bin Abdullah graduated with BA Hons major in Urban and Planning studies from the University of Malaya. He has been in the property industry for the past 24 years. He was involved in Project Management, approval management, and customer service.

Currently, he is the Executive Director of Tropicana Corporation Berhad. He represents the company and serves as an intermediate between the company and the government agencies. He also supports and looks after the business development segment of the company.

Mr Mohd Zapi Abdullah does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

ADRIAN
CHIN KOK PING

46 . Male . Malaysian

Executive Director, Project
at Tropicana Corporation Berhad



Date of Appointment to Executive Position:
8 August 2019

Mr Adrian Chin graduated with Bachelor of Architecture and Bachelor of Environmental Design from the University of Tasmania, Australia. He is also a Registered Architect of Singapore Board of Architects ("BOA"), Corporate Member of Singapore Institute of Architects ("SIA"), Chartered Member of Royal Institute of British Architects ("RIBA"), International Associate Member of American Institute of Architects ("AIA") as well as Member of Malaysia Institute of Architects ("PAM").

He brings more than 21 years of extensive experience in master planning, architectural as well as engineering design that spans across Singapore, Malaysia, Vietnam, Indonesia, China, and the Middle East. Prior to this, he was the Vice President of Group Development Management in Mapletree Investments Pte Ltd, Singapore.

Among his key expertise includes management of various projects of different sizes and complexity, development of strategic business goals, creation of viable business plans and financial models that will yield and maximise profits from financial management as well as cost analysis, champions project development management from inception till completion and management of stakeholders even in critical situations.

Currently, he is in charge of township developments such as Tropicana Gardens, Tropicana Metropark, Tropicana Heights, Tropicana Miyu, and Tropicana Golf & Country Resort. Aside from project execution, he is involved in business planning and development for new land as well.

Mr Adrian Chin does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

LEE
LAI LENG

46 . Female . Malaysian

Executive Director, Group Finance
at Tropicana Corporation Berhad



Date of Appointment to Executive Position:
1 January 2021

Ms Lee Lai Leng graduated with a degree of Bachelor of Arts (First Class Honours) in Accounting and Finance from Middlesex University, United Kingdom. She is a chartered accountant by profession ("ACA") and holds the status of fellowship ("FCA") from the Institute of Chartered Accountants in England and Wales ("ICAEW").

She has had more than 20 years of financial experience in various sectors such as audit, taxation, advisory manufacturing, and property development. She started her career with two of the largest professional services firms in the world, being Arthur Andersen & Co in Kuala Lumpur, Malaysia, and Ernst & Young LLP in London, United Kingdom. Further developing her international financial experience, she also worked at McBride Plc, a manufacturing company based in London and listed on the London Stock Exchange before joining Tropicana Corporation Berhad as Senior Manager, Finance in 2010.

In Tropicana, she has been promoted to several senior management positions, prior to her current position. Currently, she serves as an Executive Director who is overseeing the group reporting function, the corporate finance function as well as the finance functions of the property development division for projects in the Central Region such as Tropicana Aman, Tropicana Metropark, Tropicana Heights, and the investment property division for Tropicana Gardens Mall and Office Tower. Apart from being vastly experienced in financial practices, both internationally and locally, Ms Lee has also been involved in several corporate exercises which include mergers, asset injections, and corporate restructuring. She has also had extensive exposure in obtaining financing for property development projects as well as experience in corporate ratings, structuring corporate debt programs, and general corporate funding.

Ms Lee Lai Leng does not have any family relationship with any Directors and/or major shareholders of Tropicana, nor any conflict of interest with Tropicana.

Note:

None of the Senior Management of Tropicana has any conviction for offences within the past 5 years (traffic offences excluded from contemplation), and any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“**Board**”) of Tropicana Corporation Berhad (“**Tropicana**” or “**Company**”) is committed to maintain high standards of corporate governance to protect and enhance the shareholders’ value as well as the continued growth and success of the Company and its subsidiaries (“**Group**”). The Board supports the principles and recommendations of the Malaysian Code on Corporate Governance issued by the Securities Commission Malaysia (“**MCCG**”). The Board will continue to review the existing corporate governance practices throughout the Group and to undertake appropriate actions in embedding the principles and recommendations of the MCCG.

This Corporate Governance Overview Statement (“**Statement**”), which is made pursuant to Paragraph 15.25(1) of the Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Malaysia Securities**”), sets out an overview of the application of the principles in the MCCG in which the Group has applied the principles and the recommendations of the MCCG throughout the financial year ended 31 December 2020 (“**FY2020**”). Details of the application of each practice of the MCCG during FY2020 are disclosed in the Corporate Governance Report (“**CG Report**”) in the format prescribed by Paragraph 15.25(2) of the MMLR of Bursa Malaysia Securities, which is available on the Company’s website at www.tropicanaCorp.com.my/corporate-governance as well as the website of Bursa Malaysia Securities. This Statement made reference and provide the details on how the Company applied and upheld the three (3) main principles highlighted in the MCCG during FY2020, which are:-



In addition, the Company’s corporate governance framework is based on the following statutory requirements in building the sustainability values:-



PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

The Board assumes the following principal responsibilities in discharging its fiduciary duties and leadership functions:-

- reviews and adopts the strategic plan for the Group;
- oversees the conduct of the Group’s businesses to determine whether the businesses are being properly managed;
- identifies principal risks and ensures the implementation of appropriate systems to manage these risks;
- establishes a succession plan for the Company;
- oversees the development and implementation of an investor relations programme for the Company;
- reviews the adequacy and the integrity of the Group’s internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines;
- ensures the Company’s financial statements are true and fair and conform with the laws; and
- ensures the Company adheres to high standards of ethics and corporate behaviour.

During FY2020, in addition to routine matters, the Board had adopted the Anti-Bribery and Anti-Corruption Policy as well as Beneficial Ownership Disclosure Policy. On top of that, the Board had also reviewed the Board Charter and terms of reference of all the Board Committees.

The Board is mindful of the importance of building a sustainable business and therefore, takes into consideration its environmental, social and governance impact when developing the corporate strategy of the Group. The Company’s activities in corporate social responsibilities for the year under review are disclosed on pages 103 to 104 of this Annual Report.

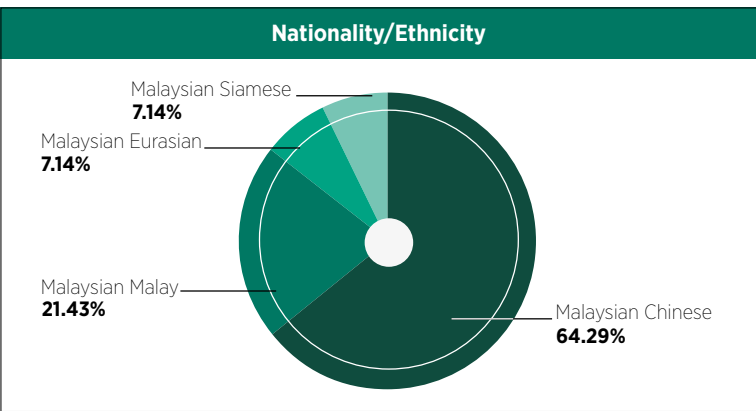
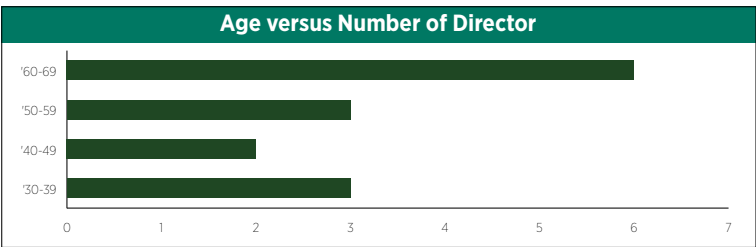
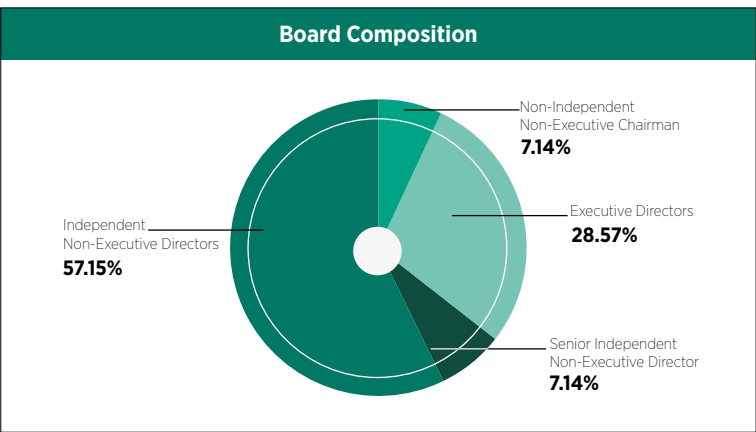
In discharging its duties, the Board is guided by its Board Charter which outlines the duties and responsibilities of the Board, Chairman, Deputy Chairman, Senior Independent Director, Group Chief Executive Officer (“**Group CEO**”) and Group Managing Director (“**Group MD**”). The Board Charter which is available on the Company’s website at www.tropicanaCorp.com.my/corporate-governance sets out processes and procedures for convening Board meetings. Matters specifically reserved for the Board and those delegated to Board Committees are clearly defined in the Board Charter. The Board Charter is reviewed as and when required to be aligned with the practices recommended in the MCCG and provisions in the MMLR of Bursa Malaysia Securities as well as current practices.

The Chairman leads the Board in establishing and monitoring good corporate governance practices and carries out a leadership role in the conduct of the Board and in his relations with shareholders and other stakeholders. The primary responsibilities of the Chairman are, amongst others, as follows:-

- to lead the Board and to ensure the effectiveness of all aspects of the Board’s role;
- to ensure the efficient organisation and conduct of the Board’s functions and meetings;
- to facilitate the effective contribution of all Directors at Board meetings;
- to promote constructive and respectful relations among Directors, and between the Board and Management; and
- to ensure effective communication with shareholders and relevant stakeholders.

II. Board Composition

Throughout FY2020, the Board composition complies with Paragraph 15.02 of the MMLR of Bursa Malaysia Securities whereby at least two (2) Directors or one-third (1/3) of the Board, whichever is the higher, are made up of Independent Non-Executive Directors as well as Practice 4.1 of MCCG which stipulates that at least 50% of the Board comprises Independent Non-Executive Directors. The Board, as at the date of this Statement consists of fourteen (14) members, which made up of one (1) Non-Independent Non-Executive Chairman, one (1) Senior Independent Non-Executive Director, eight (8) Independent Non-Executive Directors and four (4) Executive Directors.



The Board comprises members from diverse backgrounds ranging from property development, investments, finance and accounting, banking, audit, risk management, legal, business and general management, information technology, public administration, chemical and civil engineering, police force as well as food and beverages. The Directors provide the Group with diverse views and a wealth of expertise, experiences and networks to draw upon. The Board’s decisions are based on diverse perspectives/insights and are made objectively in the best interests of the Company. The profiles of the Directors are set out on pages 110 to 117 of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

III. Board Independence

The presence of the experienced Independent Non-Executive Directors has ensured proper check and balance in the Board, and provides unbiased and independent views, advice and judgement, besides playing key supporting roles.

There is a clear division of responsibilities at the head of the Company. The Chairman and Group Executive Vice Chairman represent the Board to the shareholders and are responsible for the effective running of the Board. In FY2020, Mr Yeow Wai Siaw, the Group CEO and Dato’ Dickson Tan Yong Loong, the Deputy Group CEO had resigned from their respective positions and subsequently, the Board welcomed Mr Lee Han Ming as the new Group CEO who was appointed on 4 February 2021. The Group CEO, the Group MD and the Group Executive Director are fully responsible for the effective running of the Group’s operations and the implementation of the Board’s policies and decisions.

The positions of the Chairman, the Group CEO and the Group MD are held by three (3) different individuals. The clear distinction of responsibilities between the Chairman, the Group CEO and the Group MD ensure a balance of power and authority, such that no individual or small group of individuals can dominate the Board’s decision-making. It is mandatory for all members of the Board to declare any of their interests in the transactions undertaken by the Group. In such instances, the interested Director(s) shall abstain from deliberation and the decision-making process.

The Board delegates the day-to-day management of the Company’s businesses to Management under the stewardship of Mr Lee Han Ming, the Group CEO, Mr Dion Tan Yong Chien, the Group MD and Mr Jared Ang Tzer Shen, the Group Executive Director.

Management meetings are held regularly or whenever the needs arise to discuss and review the Group’s businesses and concerns, and to make the appropriate day-to-day business and Management’s decisions.

In order to ensure that the direction and control of the Group is firmly in its hands, and having an oversight of Management, the matters reserved for the Board’s decisions are as follows:-

- to approve corporate plans and strategic issues of the Company;
- to approve annual budgets of the Company;
- to approve material acquisitions and disposals of undertakings and assets as well as major investments of the Group;
- to approve new ventures of the Group;
- to approve changes to the control structure of the Company including key policies, capital expenditures, authority levels, treasury policies and risk management policies;
- to approve material borrowings of the Company; and
- to review the financial statements of the Company and the Group on a consolidated basis.

The strategic business plan for the Group is presented to the Board for deliberation and approved on an annual basis and the milestones achieved and progress of the strategic plan and financial targets are reported to the Board on a quarterly basis.

An Internal Management Working Group (“IMWG”) has been set up to evaluate and conduct due diligence study/research, taking into consideration of the funding requirements, if any, for any proposed investment and to make recommendations to the Investment Committee. The IMWG consists of the Group CEO, Group MD, Group Executive Director, Managing Director (Group Finance), Executive Director (Corporate Finance), Executive Director (Legal) and the Head of Business Development.

The Investment Committee assists the Board to review any proposed acquisition or disposal of undertakings and assets as well as major investments of the Group including any new ventures of the Group that exceed the threshold of 1% of the Group’s shareholders’ fund based on the latest audited consolidated financial statements of the Group. During the reporting year, the Investment Committee had added new transactions under review relating to investment in digital and transformation matters.

To strengthen the Board’s oversight of Management (in addition to the above), the Board has the following agendas at its quarterly meeting:-

- to review reports of the operations of the Group (Northern, Central and Southern regions) by senior management;
- to review reports of the status of marketing and sales of the Group prepared by the MD of Marketing & Sales and Group Procurement (Non-Board member of Tropicana); and
- to review reports on the development of material litigation(s) and/or any new material litigation of the Group by the Executive Director of Group Legal (Non-Board member of Tropicana).

The Board has delegated specific responsibilities to several Board Committees namely, the Audit Committee, Nomination Committee, Remuneration Committee, Risk Management Committee, Pricing Committee and Investment Committee to oversee, manage and review specific aspects of the Company’s business operations and corporate matters. All the Board Committees operate within their respective approved defined terms of reference and specific authority delegated by the Board. All the Board Committees make recommendation to the Board for approval in respect of the matters under their purview, saved for the Pricing Committee, which has been empowered by the Board to make decision within its terms of reference. The Chairman of the respective Board Committees will report to the Board on the proceedings of each Board Committee meeting and the reporting of the said proceedings will be minuted accordingly. The Board retains full responsibility for the final decision on all matters.

(i) Nomination Committee

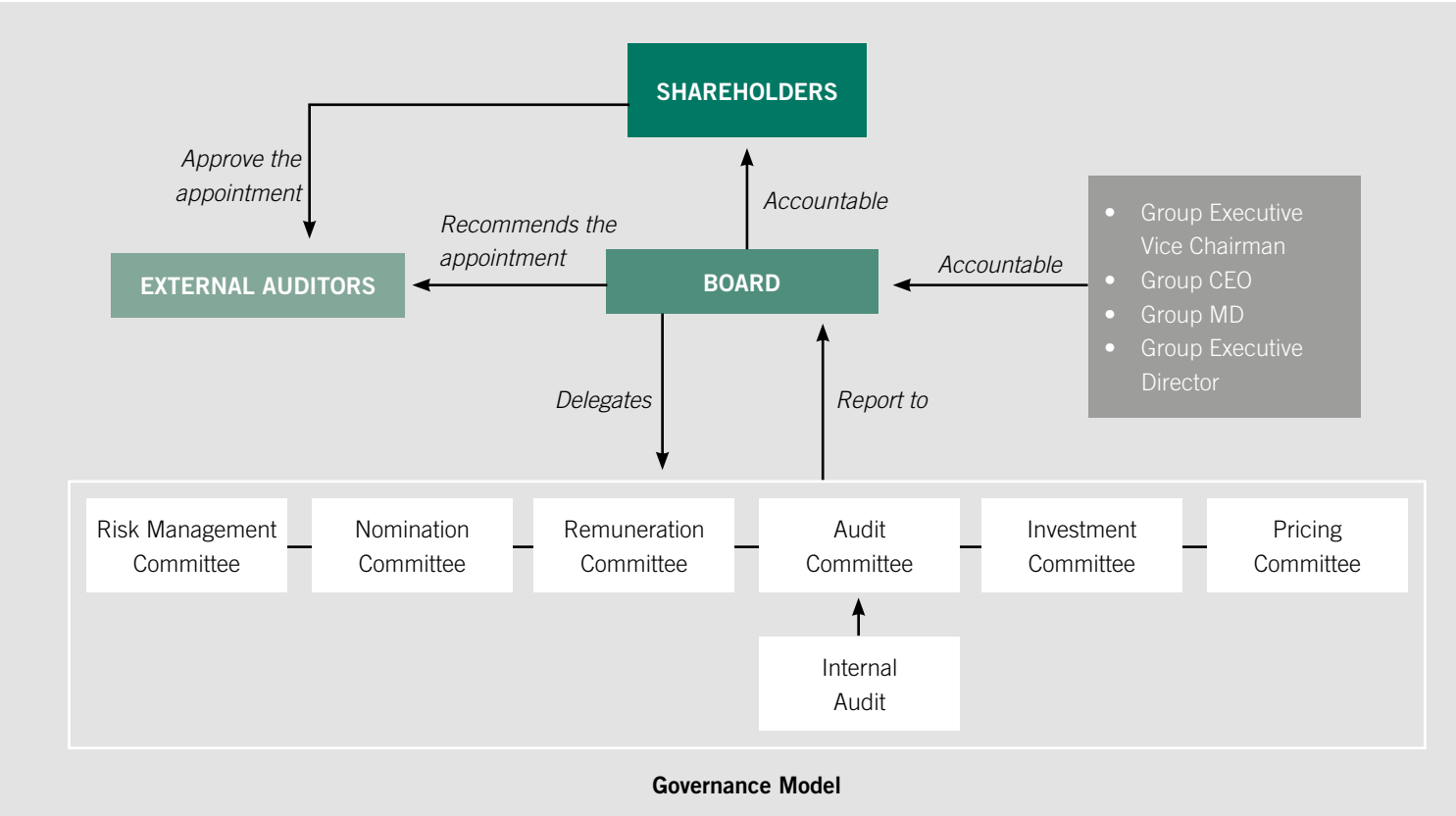
As at the date of this Statement, the Nomination Committee consists of five (5) members, all of which are Independent Non-Executive Directors. The composition of the Nomination Committee are as follows:-

Name	Position	Designation
Datuk Wira Lye Ek Seang	Chairman	Independent Non-Executive Director
Datuk Michael Tang Vee Mun	Member	Senior Independent Non-Executive Director
Encik Mohd Najib Bin Abdul Aziz	Member	Independent Non-Executive Director
Datuk Siw Chun A/P Eam (Appointed w.e.f. 4 February 2021)	Member	Independent Non-Executive Director
Ms Alice Dora Boucher (Appointed w.e.f. 25 March 2021)	Member	Independent Non-Executive Director

At the Forty-First Annual General Meeting (“AGM”) of Tropicana (“41st AGM”) held on 9 September 2020, the shareholders had approved the retention of Datuk Michael Tang Vee Mun who has served as an Independent Non-Executive Director for a cumulative term of more than nine (9) years in accordance with the MCCG.

The Nomination Committee does not make decisions on behalf of the Board but makes recommendations to the Board for approval.

IV. Governance Model and Framework



CORPORATE GOVERNANCE OVERVIEW STATEMENT

New Appointment to the Board and Senior Management

The Nomination Committee has been given the responsibility to recommend new appointments to the Board, Board Committees and Senior Management who hold the key pivotal positions in Tropicana and its Group of Companies (“Key Personnel”) on an on-going basis, with a view to ensure that the Board composition meets the needs, objectives and aspirations of the Company. Considerations should be given to the competencies, commitment, contribution and performance of the potential candidates.

The selection criteria of members of the Board are primarily based on the merits of competency, knowledge, experiences, expertise, skills, character, integrity and time commitment of the candidates, and taking into consideration the diversity in gender, ethnicity and age.

As at the date of this Statement, the Nomination Committee had considered and recommended the appointments of the following seven (7) Directors:-

- a) Mr Jared Ang Tzer Shen;
- b) Tan Sri Dato’ Sri Mohamad Fuzi Bin Harun;
- c) Madam Vivienne Cheng Chi Fan;
- d) Mr Lee Han Ming;
- e) Datuk Siw Chun A/P Eam;
- f) Dato’ Dr Teo Tong Kooi; and
- g) Dato’ Sri Badrul Hisham Bin Abdul Aziz.

The Nomination Committee had reviewed their profiles and curriculum vitae, the qualifications and the disclosure of their other directorships and had considered their backgrounds, academic qualifications, skills, experiences, time commitment and competencies prior to their appointment as Directors of the Company.

Tan Sri Dato’ Sri Mohamad Fuzi Bin Harun, Madam Vivienne Cheng Chi Fan, Datuk Siw Chun A/P Eam, Dato’ Dr Teo Tong Kooi and Dato’ Sri Badrul Hisham Bin Abdul Aziz who were appointed as Independent Non-Executive Directors of the Company had declared their independence as defined under paragraph 1.01 of the MMLR of Bursa Malaysia Securities.

Diversity and Inclusion Policy

The Board has adopted a Diversity and Inclusion Policy on 28 November 2019 upon recommendation by the Nomination Committee. Tropicana recognises the importance and benefits of diversity in the workplace and at the Board level and has committed to creating a culture that respects and values each other’s difference and promotes equality and diversity.

In order to pursue the objective of diversity, Management of Tropicana will ensure that the recruitment and selection practices at all levels (from the Board downwards) are appropriately structured so that a diverse range of candidates in terms of skill, knowledge, experience, gender, age, ethnicity, race, religion and cultural background are considered.

In assessing suitable candidate for appointment to the Board and Key Personnel in the Group, the Nomination Committee and the Board also accord due consideration to gender diversity, age, required mix of skills, knowledge and experience, cultural background and other qualities, including core competencies and integrity. The Board recognises the challenges in achieving the right balance of gender diversity on the Board. This will be done over time, taking into account the present size of the Board, the valuable knowledge and experience of the present Board members and the evolving challenges to the Company over time. Nevertheless, the Company has taken its initiative in fulfilling its corporate governance goals on gender diversity by appointing additional two (2) female Independent Non-Executive Directors, Madam Vivienne Cheng Chi Fan and Datuk Siw Chun A/P Eam, to the Board on 7 December 2020 and 4 February 2021 respectively. Currently the Board has three (3) female directors.

In cognisant of the importance to promote gender diversity, the Company is committed to putting its efforts in getting more suitable female candidate to join the Board and Senior Management positions.

Annual Board Evaluation

The Nomination Committee also reviews the evaluation process and evaluation forms for all Board members in respect of the annual evaluations of the effectiveness of the Board, Board Committees and the contribution of each Director.

With regards to the Board evaluation for FY2020, the Nomination Committee conducted annual assessment in the following aspect:-

- (a) effectiveness of the Board as a whole;
- (b) effectiveness of the Board Committees;
- (c) contributions of each individual Director and each member of the Audit Committee; and
- (d) independence of the Independent Non-Executive Directors.

The criteria on the evaluation of the effectiveness of the Board as a whole related to, amongst others, the appropriate composition and Committees in correspondence to the Board’s oversight duties and the development of the Company’s strategy, the right mix of skills and experience to optimise performance, and the clear definition of the roles and responsibilities of the Board and individual Directors.

The criteria on the evaluation of the effectiveness of the Board Committees related to, inter alia, the right composition of each Board Committee in terms of number and expertise, whether each Board Committee properly discharges its duties and responsibilities, and whether each Board Committee provides useful information and recommendations that assist the Board to make better decisions.

The criterias on the evaluation of the contributions of each individual Director related to, such as, whether the Director shares his insights, adds value to the Board, applies analytical and conceptual skills to the decision-making process, provides realism and practical advice to Board’s deliberations, as well as assesses and links short-term issues to the long-term strategy of the Company.

In terms of the assessment on the independence of the Independent Non-Executive Directors, each Independent Non-Executive Director has conducted a self-evaluation of his/her independence based on the criteria of independence as defined under Paragraph 1.01 of the MMLR of Bursa Malaysia Securities, and signed-off a confirmation slip accordingly. In addition, each Independent Non-Executive Director self-checked his/her ability to advise the Board on matters relating to any existing transactions where conflict of interests exist and on matters requiring deliberation by Independent Non-Executive Directors such as related party transactions. Each Independent Non-Executive Director also verified and declared his/her tenure of service as Independent Non-Executive Director in the Company in the confirmation slip. Thereafter, the said confirmation slips were reviewed by the Nomination Committee.

Re-designation as Senior Independent Non-Executive Director

The Board has approved the re-designation of Datuk Michael Tang Vee Mun as a Senior Independent Non-Executive Director of Tropicana on 7 December 2020 upon recommendation by the Nomination Committee. On a good governance practices, the appointment of Senior Independent Non-Executive Director is made on the basis of suitability in terms of relevant industrial experiences, qualifications, expertise and any other criterion that the Board thinks fit, in determining the eligibility of a Director as a Senior Independent Non-Executive Director in view of the size and complexity of the Group’s businesses. The Board had also taken into account the policy of inclusion and diversity under the MCCG. In manifesting the Board’s commitment towards sound governance, the Board has benchmarked its Senior Independent Non-Executive Director’s terms of reference against the relevant promulgations as well as other duties and responsibilities and conflicts of interest. The terms of reference shall be reviewed by the Board on a regular basis as it deems appropriate to reflect good governance practices and/or any regulatory compliances.

The principal responsibilities of the Senior Independent Non-Executive Director are as follows:

- to act as an intermediary for other Directors in the event of difference in opinions;
- to act as a conduit to the Board for the communication of shareholders’ concerns when other channels of communication are inappropriate;
- to ensure that the views of the other Non-Executive Directors are given due consideration;
- to act as Chair of the Board when matters concerning the Chair are considered; and
- committed to ensure best governance practices at all times are upheld.

Retention of Independent Non-Executive Director

The Board Charter indicates the restriction for the tenure of an Independent Non-Executive Director to a cumulative term of nine (9) years. An Independent Non-Executive Director may continue to serve on the Board upon reaching the nine (9) year term limit subject to the Independent Non-Executive Director’s re-designation as a Non-Independent Non-Executive Director. In the event that the Board intends to retain the Director as an Independent Non-Executive Director after the latter has served a cumulative term of nine (9) years, the Board must justify the decision and seek shareholders’ approval annually at the general meeting. In justifying the decision, the Nomination Committee is entrusted to assess the Director’s suitability to continue as an Independent Non-Executive Director based on the criteria of independence.

The Board took note on the requirements under Practice 4.2 of the MCCG whereby if the Board continues to retain the Independent Non-Executive Director after the twelfth (12th) year tenure of service, the Board should seek annual shareholders’ approval through a two (2)-tier voting process.

Activities of the Nomination Committee during FY2020

The Nomination Committee met five (5) times during FY2020. The Nomination Committee had carried out and discharged its main duties as below:-

- (a) Reviewed the results of the evaluation of the effectiveness of the Board as a whole, the effectiveness of the Board Committees, the contributions of each individual Director and the independence of the Independent Non-Executive Directors, taking into consideration the required skills mix, experience, competence, integrity and other requisite qualities, including core competencies contributed by the Non-Executive Directors. The said evaluations, which were carried out annually, were properly documented.
- (b) Reviewed and recommended the extract of Nomination Committee report in the Corporate Governance Overview Statement for inclusion in the Annual Report 2019 to the Board for approval.

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- (c) Reviewed and recommended to the Board for consideration of the retention of Datuk Michael Tang Vee Mun, who had served as an Independent Non-Executive Director for a cumulative term of more than nine (9) years in accordance with the MCCG at the 41st AGM held on 9 September 2020 based on the following reasons:-

(i) He fulfils the criteria stated under the definition of “Independent Director” as defined in the MMLR of Bursa Malaysia Securities;

(ii) He always demonstrates the values and principles associated with independence when deliberating on matters, promotes good corporate governance practices and facilitates the Board and Board Committees to perform their responsibilities effectively through his independent and objective directorship; and

(iii) He discharges his duties and role as an Independent Non-Executive Director effectively due to his insight and good understanding of the Group’s various core business operations over time.

(d) Reviewed and recommended the re-election of Directors in accordance with Clause 113 of the Company’s Constitution at the 41st AGM held on 9 September 2020.

(e) Reviewed and recommended to the Board for approval, the proposed appointment of Mr Jared Ang Tzer Shen as a Group Non-Independent Executive Director of Tropicana.

(f) Reviewed and recommended to the Board for approval, the proposed appointments of Madam Vivienne Cheng Chi Fan and Tan Sri Dato’ Sri Mohamad Fuzi Bin Harun as Independent Non-Executive Directors of Tropicana.

(g) Reviewed and recommended to the Board for approval, the proposed changes of the terms of reference of the Nomination Committee.

(h) Considered and recommended to the Board for approval, the changes to the compositions of the Board Committees following the resignations and appointments of Directors of the Company.

(ii) Remuneration Committee

As at the date of this Statement, the Remuneration Committee consists of four (4) members, all of which are Independent Non-Executive Directors. The composition of the Remuneration Committee are as follows:-

Name	Position	Designation
Datuk Michael Tang Vee Mun	Chairman	Senior Independent Non-Executive Director
Datuk Wira Lye Ek Seang	Member	Independent Non-Executive Director
Encik Mohd Najib Bin Abdul Aziz (Appointed w.e.f. 10 June 2020)	Member	Independent Non-Executive Director
Datuk Siw Chun A/P Eam (Appointed w.e.f. 4 February 2021)	Member	Independent Non-Executive Director

The Remuneration Committee assists the Board in its responsibilities of assessing the remuneration packages of the Directors of the Company as well as the Key Personnel of the Group.

The compensation and benefits shall be aligned with the business strategy and long-term objectives of the Group, and shall reflect the calibre, competency, experience, skills, expertise, responsibilities and commitment of the Key Personnel as well as the complexity of the Group’s activities. Thus, the components of the compensation and benefits of the Key Personnel shall be structured in a way to link rewards to corporate and individual performance.

In the case of Non-Executive Directors, the level of remuneration shall reflect the contributions, commitment, experience, expertise and responsibilities undertaken by the particular Non-Executive Director concerned and the complexity of the Group’s activities.

The Remuneration Committee met three (3) times during FY2020. During FY2020, the Remuneration Committee had reviewed and recommended the following matters to the Board for approval:-

- (a) Proposed 2020 salary increments and bonus for the financial year ended 31 December 2019 for the Executive Directors, Senior Management and the employees of the Company and its group of companies;
- (b) Proposed remuneration packages payable to the newly appointed Directors of the Company; and
- (c) Proposed changes of the terms of reference of the Remuneration Committee.

The remuneration paid to the top five (5) key senior management personnel for FY2020 are as follows:-

Remuneration Range	Name of Key Senior Management
1,600,001 – 1,650,000	Mr Lee Han Ming

The remuneration of the other top four (4) key senior management personnel namely, Tan Sri Dato’ Tan Chee Sing, Mr Yeow Wai Siaw, Dato’ Dickson Tan Yong Loong and Mr Dion Tan Yong Chien, who are also Executive Directors of the Company, have been disclosed under the Directors’ Remuneration section.

Directors’ Remuneration

The details of remuneration of the Directors of the Company comprising remuneration received/receivable from the Company and its subsidiaries during FY2020 are as follows:

1) Non-Executive Directors¹

	Directors’ Fees (RM)	Board Committees’ Fees ² (RM)	Meetings Allowances ³ (RM)
Tan Sri Dr Lim Wee Chai	192,000.00	4,800.00	8,000.00
Datuk Michael Tang Vee Mun	120,683.00	25,600.00	13,000.00
Encik Mohd Najib Bin Abdul Aziz	120,000.00	37,889.00	13,000.00
Datuk Wira Lye Ek Seang	120,000.00	17,600.00	10,000.00
Ms Alice Dora Boucher	120,000.00	8,067.00	10,000.00
Tan Sri Dato’ Sri Mohamad Fuzi Bin Harun (Appointed w.e.f. 27 October 2020)	21,639.00	–	2,000.00
Madam Vivienne Cheng Chi Fan (Appointed w.e.f. 7 December 2020)	8,197.00	1,421.00	–
Mr Loh Chen Peng (Resigned w.e.f. 5 December 2020)	120,000.00	20,800.00	9,000.00
Encik Hafez Mohd Hashim Bin Razman Md Hashim (Resigned w.e.f. 4 February 2021)	120,000.00	33,600.00	13,000.00

- Note:
- ¹ The remuneration of Non-Executive Directors was approved by the shareholders at the 41st AGM of the Company.
- ² Fees for being the Chairman and/or members of the Board Committees.
- ³ Meeting allowances for attendance of meetings of the Board and Board Committees.

2) Executive Directors

	Salary (RM)	Bonus (RM)	Defined Contribution Plan (RM)	Other Emoluments (RM)	Total (RM)
Tan Sri Dato’ Tan Chee Sing	3,762,000 4,800,000*	1,686,575 –	218,537 –	– 1,200,000*	5,667,112 6,000,000*
Mr Dion Tan Yong Chien	1,023,906	432,480	182,893	60,000	1,699,279
Mr Jared Ang Tzer Shen (Appointed w.e.f. 13 October 2020)	134,430 543,821*	– 174,840*	16,286 87,014*	– –	150,716 805,675*
Dato’ Dickson Tan Yong Loong (Resigned w.e.f. 6 October 2020)	687,830 –	223,320 –	112,725 30,539*	25,000 250,000*	1,048,875 280,539*
Mr Yeow Wai Siaw (Resigned w.e.f. 31 October 2020)	–	201,400	–	1,677,297	1,878,697

- Note:
- * Remuneration received from other subsidiaries within the Group.

(The above disclosures include all Directors who held office during the FY2020)

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(iii) Pricing Committee

The Pricing Committee shall comprise not fewer than five (5) members, majority of whom shall be Independent Non-Executive Directors and a minimum of two (2) Non-Executive Directors. As at the date of this Statement, the composition of the Pricing Committee are as follows:-

Name	Position	Designation
Encik Mohd Najib Bin Abdul Aziz	Chairman	Independent Non-Executive Director
Mr Dion Tan Yong Chien	Member	Group MD
Mr Jared Ang Tzer Shen (Appointed w.e.f. 4 November 2020)	Member	Group Executive Director
Datuk Wira Lye Ek Seang	Member	Independent Non-Executive Director
Ms Alice Dora Boucher (Appointed w.e.f. 10 June 2020)	Member	Independent Non-Executive Director

The principal objective of the Pricing Committee is to approve the minimum/net selling prices of the new launches of properties to be developed by the Group to ensure that the prices set are market driven.

(iv) Investment Committee

The Investment Committee shall comprise not fewer than five (5) members, with at least two (2) Independent Non-Executive Directors. As at the date of this Statement, the composition of the Investment Committee are as follows:-

Name	Position	Designation
Datuk Michael Tang Vee Mun	Chairman	Senior Independent Non-Executive Director
Mr Dion Tan Yong Chien	Member	Group MD
Datuk Wira Lye Ek Seang (Appointed w.e.f. 4 February 2021)	Member	Independent Non-Executive Director
Mr Lee Han Ming (Appointed w.e.f. 9 February 2021)	Member	Group CEO
Encik Mohd Najib Bin Abdul Aziz (Appointed w.e.f. 25 March 2021)	Member	Independent Non-Executive Director

The principal objectives of the Investment Committee are to enhance the shareholders’ value and to protect the stakeholders’ interests and to ensure the continued growth and success of the Company.

The Investment Committee reviews the proposed transactions or proposed investments with a view to strategically allocate the Group’s financial resources efficiently and to eliminate or minimise the risk of oversight in investment decisions.

V. Board Meeting and Meetings Attendance

The Board meets at least once every quarter on a scheduled basis and additional meetings will be convened as and when deemed necessary by the Board. The quarterly Board meetings are scheduled in advance at the commencement of the financial year to allow the Directors to plan their appointments ahead and to facilitate full attendance at Board

meetings. All proceedings, deliberations and conclusions of Board meetings are minuted by the Company Secretary and are confirmed by the Board members at the next Board meeting and subsequently signed by the Chairman as the correct record of proceedings of the meeting, or signed by the Chairman of the meeting at which the proceedings were held.

A total of six (6) Board meetings were held during FY2020 and the attendance of each Board member are set out as below:-

Director	Designation	Attendance of Board Meetings
Tan Sri Dr Lim Wee Chai	Non-Independent Non-Executive Chairman	6/6
Tan Sri Dato’ Tan Chee Sing	Group Executive Vice Chairman	6/6
Mr Dion Tan Yong Chien	Group MD	6/6
Datuk Michael Tang Vee Mun*	Senior Independent Non-Executive Director	6/6
Encik Mohd Najib Bin Abdul Aziz	Independent Non-Executive Director	6/6
Datuk Wira Lye Ek Seang	Independent Non-Executive Director	6/6
Ms Alice Dora Boucher	Independent Non-Executive Director	6/6
Mr Jared Ang Tzer Shen (Appointed w.e.f. 13 October 2020)	Group Executive Director	2/2®
Tan Sri Dato’ Sri Mohamad Fuzi Bin Harun (Appointed w.e.f. 27 October 2020)	Independent Non-Executive Director	2/2®
Madam Vivienne Cheng Chi Fan (Appointed w.e.f. 7 December 2020)	Independent Non-Executive Director	0/0®
Dato’ Dickson Tan Yong Loong (Resigned w.e.f. 6 October 2020)	Deputy Group CEO	3/3#
Mr Yeow Wai Siaw (Resigned w.e.f. 31 October 2020)	Group CEO	4/4#
Mr Loh Chen Peng (Resigned w.e.f. 5 December 2020)	Independent Non-Executive Director	5/5#
Encik Hafez Mohd Hashim Bin Razman Md Hashim (Resigned w.e.f. 4 February 2021)	Independent Non-Executive Director	6/6#

Note:
* Re-designated from Independent Non-Executive Director to Senior Independent Non-Executive Director on 7 December 2020.
® Reflects the number of meetings held during FY2020 after his/her appointment as Director.
Reflects the number of meetings held during FY2020 prior to his resignation as Director.

All the existing Directors as at the date of this Statement have complied with the minimum requirement of 50% attendance in respect of Board meetings in FY2020 as stipulated in the MMLR of Bursa Malaysia Securities. In the intervals between Board meetings, for any matters requiring Board’s decisions, Board’s approvals are obtained through circular resolutions. The resolutions passed by way of such circular resolutions were then noted by the Board in the next quarterly Board meeting.

The Directors are expected to allocate sufficient time to the Company to perform their duties effectively, including being prepared for the meetings and contributing effectively to the businesses of the Company. Directors of the Company must not hold directorships in more than five (5) public listed companies and they should notify the Board for any change of their directorships and such notification should include an indication of time that will be spent on the new appointment.

VI. Company Secretaries

The appointment and removal of Company Secretaries is a matter of the Board as a whole. The Board recognises the importance that the Company Secretaries should be suitably qualified and capable of carrying out the duties required of the post.

The key roles of the Company Secretaries are to provide unhindered professional advices and services to the Directors as and when the need arises, and to enhance the effective functioning of the Board and to ensure regulatory compliance.

Other primary responsibilities of the Company Secretaries includes:-

- advising the Board and Management on the governance issues;
- ensuring compliance of MMLR of Bursa Malaysia Securities and related statutory obligations;
- attending the Board, Board Committees and general meetings and ensuring the Board meeting procedures are followed and also proper recording of minutes;
- ensuring the proper maintenance of statutory registers and records;
- assisting the Chairman in the preparation and conduct of meetings;
- updating the Directors on any new changes and developments to the statutory or regulatory requirements concerning their duties and responsibilities as well as those concerning the Company;
- regularly update and keep the Board and Management informed of the requirements in dealing with the securities of the Company during closed period and non-closed period; and
- assisting the communications between the Board and Management.

The Company Secretaries had assessed the requirements of the Companies Act 2016 (“the Act”) and MCCG and facilitated training for the Board on the approaches envisaged by the Act and MCCG as well as providing advice to the Board on the application of practices within the Group.

VII. Ethics and Codes

The Board acknowledges its leadership role in creating ethical values and observing ethical conduct. The Board adopts and observes the Code of Ethics for Company Directors established by the Companies Commission of Malaysia, as the Board is fully supportive of the principles in the said Code of Ethics and finds it suitable for the Company to uphold the same principles. A copy of the said Code of Ethics for Company Directors can be found in the Board Charter marked as “Appendix I” on the Company’s website at www.tropicanaCorp.com.my/corporate-governance

VIII. Board Charter

The Board is accountable and responsible for the performance and governance activities of the Group with a view of protecting shareholders’ value and recognising the interests of all other stakeholders namely, customers, suppliers, contractors, employees, regulators, members of the communities and all others with whom Tropicana interfaces.

The Board Charter is intended to identify the role, structure and processes related to key governance activities of the Board. It serves as a reference point for Board’s activities. It is designed to provide guidance and clarity for Directors and Management with regards to the role of the Board and its Committees, the roles of the top key positions of the Company and the requirements of Directors in carrying out their roles and in discharging their duties towards the Company as well as the Board’s operating practices.

In March 2021, the Board Charter was revised to encompass the changes to the reviews of the Act, MMLR of Bursa Malaysia Securities and principles under the MCCG.

A copy of the Board Charter is available on the Company’s website at www.tropicanaCorp.com.my/corporate-governance

IX. Whistleblowing Policies and Procedures

A formal Whistleblowing Policy (“WBP”) was adopted on 1 June 2017. The WBP is to provide an avenue for all employees of the Group and members of the public to disclose any improper conduct in accordance with the procedures as provided for under the WBP and to provide protection to the employees and members of the public who report such allegations. The WBP is also included in the Group’s Employee’s Handbook.

The WBP is available on the Company’s website at www.tropicanaCorp.com.my/corporate-governance

CORPORATE GOVERNANCE OVERVIEW STATEMENT

X. Anti-Bribery and Anti-Corruption (“ABAC”) Policy

A formal ABAC Policy was adopted on 28 May 2020. The ABAC Policy serves to provide guidance on how to prevent, deal with and combat bribery and corrupt activities and issues that may arise in the course of business. The ABAC Policy is applicable to all employees, directors (executive and non-executive) and any person who performs services for and on behalf of the Group, which includes contractors, sub-contractors, consultants, suppliers, agents, intermediaries and representatives of the Group.

The ABAC Policy is available on the Company’s website at www.tropicanaCorp.com.my/corporate-governance

XI. Supply of Information

The Directors have full and unrestricted access to all information pertaining to the Group’s businesses and affairs to enable them to discharge their duties. All Directors, whether as a whole or in their individual capacity, have access to the advices and services of the Company Secretaries and Senior Management and may seek independent professional advice, at the Company’s expense, if required, to assist them in the furtherance of their duties.

All Directors are provided with reports and other relevant information on timely manner, covering various aspects of the Group’s operations and performance. The Board is also provided with the agenda and a set of board papers prior to the Board meetings to allow sufficient time for the Directors to peruse, review, consider and deliberate on the issues and, where necessary, to obtain further information and explanations to facilitate informed decision-making.

Management is responsible for furnishing the Board with all information that may assist the Board in discharging its responsibilities and to facilitate informed decision-making. The in-house Company Secretary attends all Board meetings and ensures that accurate and adequate records of the proceedings of the Board meetings and decisions made are properly recorded. Senior Management of the Group, External Auditors and advisors are also invited to attend Board meetings on specific items on the agenda which require clarification and professional advice. The Board is also briefed on the latest updates on the Group’s business activities.

The Company Secretaries are responsible for ensuring the procedures of the Board meeting are followed and that applicable rules and regulations are complied with. The Company Secretaries update the Directors on any new changes and developments to the statutory or regulatory requirements concerning their duties and responsibilities as well as general statutory compliances whenever the changes arise.

XII. Appointment and Re-Election to the Board

In accordance with the Company’s Constitution, all Directors who are appointed by the Board either to fill a casual vacancy or as an addition to the existing Directors are subject to re-election by shareholders at the AGM following their appointment. The Constitution also provides that at least one-third (1/3) of the Directors be subjected to re-election by rotation at each AGM, including the Group CEO, Group MD and Executive Director provided always that all the Directors shall retire from their office at least once in every three (3) years. All retiring Directors are eligible to offer themselves for re-election at the AGM.

The Board continuously reviews its size and composition with particular consideration on its impact on the effective functioning of the Board.

Any proposed candidate for the appointment as Director will be reviewed and recommended by the Nomination Committee to the Board for full deliberation and approval.

XIII. Directors’ Training

All Directors except Dato’ Sri Badrul Hisham Bin Abdul Aziz have attended the Mandatory Accreditation Programme (“**MAP**”) prescribed by Bursa Malaysia Securities. Directors are encouraged to attend continuing education programmes and seminars to keep themselves abreast with current developments in the market place and with new statutory and regulatory requirements. They are provided with updates from time to time on relevant new laws and regulations affecting their directorships and relevant compliances.

Mr Jared Ang Tzer Shen, Tan Sri Dato’ Sri Mohamad Fuzi Bin Harun and Madam Vivienne Cheng Chi Fan who were appointed as Directors during FY2020, had attended the MAP prior or subsequent to their appointments, to facilitate themselves with comprehensive understanding of the roles and responsibilities as director, key obligations of listed companies and director under MMLR of Bursa Malaysia Securities as well as the importance of corporate governance.

The training programmes attended by the Directors of the Company during FY2020 are listed as below:-

Name of Directors	Title of Training Programmes/Seminars
Tan Sri Dr Lim Wee Chai	1) WHITE Integrity Day in addressing the enforcement of Corporate Liability with BOD 2) Legal Talk 3) Leadership Talk by Amazon Web Service Malaysia 4) Transparency in Corporate Reporting: Assessing Malaysia’s Top 100 Public Listed Companies Debrief Session 5) Corporate Liability in Bribery Offences 6) Top Glove Virtual Executive Briefing Center Conference 7) Stewardship E-Conversation Series: Resilience, A Stewardship Journey 8) Invest Malaysia Economic Recovery: Policies & Opportunities 9) Big 5 Workplace Training Session for Success Management Executive Committee 10) Health Talk by Mr. F.E Chong: Strategic Nutrition for Optimal Health 11) EPF Workshop Session 1: Digital Transformation at EPF and its Impact on Malaysia 12) 2020 Singapore Summit Virtual Conference 13) 2 Days EPF Board Strategy Meeting at Top Glove Tower 14) FMM Penang, OCBC Virtual Power Talk 2020 via Webinar Zoom (Topic: Managing your Business in Covid-19 Times: Lessons and Opportunities in Supply Chain Management) 15) Day 1 APEC CEO Dialogues 2020 Webinar 16) Forbes Asia Virtual Forum 17) Forbes Asia CEO Webinar 18) World Economic Forum (WEF) Regional Action Group for Asia Pacific Virtual Meeting 19) H.S.H. Prince Live Broadcast (Insights of the Princely Family of Liechtenstein)
Tan Sri Dato’ Tan Chee Sing	Corporate Liability in Bribery Offences
Mr Dion Tan Yong Chien	Corporate Liability in Bribery Offences
Datuk Michael Tang Vee Mun	Corporate Liability in Bribery Offences
Encik Mohd Najib Bin Abdul Aziz	Corporate Liability in Bribery Offences
Datuk Wira Lye Ek Seang	Risk Management and Risk Governance in the New Normal, Considerations for Boards
Ms Alice Dora Boucher	1) Corporate Liability in Bribery Offences 2) Raising Defenses: Section 17A, MACC Act
Mr Jared Ang Tzer Shen (Appointed w.e.f. 13 October 2020)	Mandatory Accreditation Programme
Tan Sri Dato’ Sri Mohamad Fuzi Bin Harun (Appointed w.e.f. 27 October 2020)	Mandatory Accreditation Programme
Madam Vivienne Cheng Chi Fan (Appointed w.e.f. 7 December 2020)	1) Invest Malaysia 2020: The Capital Market Conversation 2) Fraud Risk Management Workshop
Dato’ Dickson Tan Yong Loong (Resigned w.e.f. 6 October 2020)	Corporate Liability in Bribery Offences
Mr Yeow Wai Siaw (Resigned w.e.f. 31 October 2020)	Corporate Liability in Bribery Offences
Mr Loh Chen Peng (Resigned w.e.f. 5 December 2020)	Corporate Liability in Bribery Offences
Encik Hafez Mohd Hashim Bin Razman Md Hashim (Resigned w.e.f. 4 February 2021)	Corporate Liability in Bribery Offences

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ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board is responsible for ensuring the financial statements of the Company and the Group are drawn up in accordance with the Financial Reporting Standards and the Act so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2020 and of their financial performance and cash flows for the year then ended.

The Board is committed to providing a clear, balanced and comprehensive meaningful assessment of the Group's financial performance and prospects, primarily through the annual financial statements and quarterly announcements of results to shareholders. The Group's audited financial statements for FY2020 are presented on pages 151 to 292 in this Annual Report.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit Committee

As at the date of this Statement, the Audit Committee consists of four (4) members, all of which are Independent Non-Executive Directors and one (1) of whom is qualified Accountant. The composition of the Audit Committee are as follows:-

Name	Position	Designation
Encik Mohd Najib Bin Abdul Aziz	Chairman	Independent Non-Executive Director
Madam Vivienne Cheng Chi Fan (Appointed w.e.f. 7 December 2020)	Member	Independent Non-Executive Director
Ms Alice Dora Boucher (Appointed w.e.f. 4 February 2021)	Member	Independent Non-Executive Director
Dato’ Dr Teo Tong Kooi (Appointed w.e.f. 25 March 2021)	Member	Independent Non-Executive Director

The Audit Committee assists and supports the Board in fulfilling its fiduciary responsibilities in terms of the Group's financial reporting practices, accounting policies, internal controls and in assessing the suitability and independence of the Group's External and Internal Auditors. The Chairman of the Audit Committee is an Independent Non-Executive Director and is not the Chairman of the Board. In line with MCCG, the Company has revised the terms of reference of the Audit Committee to include that no former key audit partner could be appointed as a Director (including member of the Audit Committee) before observing a cooling-off period of at least two (2) years.

During FY2020, the External Auditors had confirmed to the Audit Committee members of their independence throughout the conduct of the audit engagement for FY2020 with the Company in accordance with the independence criteria set out under the By Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants.

The Audit Committee met five (5) times during FY2020. The activities of the Audit Committee for FY2020 are reported in the Audit Committee Report as set out on pages 145 to 146 of this Annual Report.

Relationship with External Auditors

The Board, through the Audit Committee, has always maintained a formal and transparent relationship with the External Auditors.

During FY2020, the Audit Committee had invited the External Auditors to its meeting held on 24 February 2020 to report the audit findings in respect of the true and fair view of the Group's audited financial statements for the financial year ended 31 December 2019 ("AFS2019"), and to report the audit results of the AFS2019 at its meeting held on 3 June 2020, as well as the Audit Planning Memorandum for the Group's financial statements for FY2020 at its meeting held on 12 November 2020.

The Audit Committee also met with the External Auditors without the presence of the Executive Directors and Management of the Company or the Group for two (2) times on 24 February 2020 and 12 November 2020, in order to provide the External Auditors with an avenue to candidly express any concerns they may have, including those relating to their ability to perform their work without restraint or interference.

The External Auditors are encouraged to contact the Audit Committee Chairman or any of the Audit Committee members directly whenever they deem necessary to discuss audit matters or raise any concerns in the course of their audit of the Company's or the Group's financial records or accounting treatments.

II. Risk Management Committee

The Board recognises that proper risk management and internal control are important aspects of the Company's governance, management and operations.

As at the date of this Statement, the Risk Management Committee comprises the following members:

Name	Position	Designation
Tan Sri Dato’ Sri Mohamad Fuzi Bin Harun (Appointed as Chairman w.e.f. 25 March 2021)	Chairman	Independent Non-Executive Director
Mr Dion Tan Yong Chien	Member	Group MD
Datuk Michael Tang Vee Mun	Member	Senior Independent Non-Executive Director
Ms Alice Dora Boucher (Appointed w.e.f. 10 June 2020)	Member	Independent Non-Executive Director
Madam Vivienne Cheng Chi Fan (Appointed w.e.f. 7 December 2020)	Member	Independent Non-Executive Director

The responsibilities of the Risk Management Committee for risk oversight include, amongst others, to set out the objectives, strategies and scope of risk management activities for the Group and to ensure that the Group's risk management strategy and methodology have been implemented and consistently applied.

The Risk Management Committee held four (4) meetings during FY2020 to review the quarterly risk profiles of the Group and the proposed changes of the terms of reference of the Risk Management Committee to the Board for approval.

Risk Management and Internal Control

The Board has overall responsibility for maintaining a sound system of internal controls which includes financial controls, operational and compliance controls and risk management to safeguard shareholders' interests and the Company's assets. The Group's system of internal control is regularly reviewed to ensure its effectiveness. While acknowledging its responsibility for the system of internal control, the Board is aware that such system cannot totally eliminate risks and thus, can never be an absolute assurance against the Group failing to achieve its objectives.

The Board has established an in-house internal audit function and the head of internal audit reports directly to the Audit Committee.

The Group's Statement on Risk Management and Internal Control for FY2020 is set out on pages 140 to 144 of this Annual Report.

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

Communications with Shareholders and Relationship with Investors

The Group recognises and practices transparency and accountability to its shareholders and investors. As such, the Group ensures timely dissemination of information through appropriate channels of communications to the shareholders and investors to ensure that they are properly informed of major developments of the Group. Such information is communicated to them through the annual reports, press releases and the various disclosures and announcements made to Bursa Malaysia Securities from time to time, including the quarterly and annual results. These information and documents are accessible on Bursa Malaysia Securities' website at www.bursamalaysia.com or the Company's website at www.tropicanacorp.com.my/bursa-announcements. The Company attends to the requests of analysts and fund managers for briefings from time to time.

Tropicana's website at www.tropicanacorp.com.my also provides an avenue for shareholders and members of the public to access information pertaining to the Group, which is being updated regularly.

General Meetings

The Company's AGMs are the principal forum for dialogue and interaction with its shareholders at which the shareholders are annually informed and updated on current developments of the Group. The Board presents an overview of the performance of businesses in the Group and encourages shareholders to participate in the question and answer sessions. The Board members, Senior Management and the Company's External Auditors as well as advisors, if applicable, are present to respond to the shareholders' questions during the meeting.

The notice and agenda of AGM together with the proxy form are given to shareholders at least twenty-eight (28) days before the AGM, which gives shareholders sufficient time to prepare themselves to attend the AGM or to appoint a proxy to attend and vote on their behalf. Each item of special businesses included in the Notice of AGM is accompanied by an explanatory statement for the proposed resolution to facilitate the full understanding and evaluation of issues involved.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Paragraph 8.29A of the MMLR of Bursa Malaysia Securities has mandated all listed issuers to carry out poll voting for any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting. In addition, at least one (1) independent scrutineer will be appointed to validate the votes cast at the general meeting.

During the 41st AGM held on 9 September 2020, shareholders were briefed on the voting procedures and the results of the poll were verified by the independent scrutineer, Commercial Quest Sdn. Bhd. The poll voting was conducted via electronic means and the results of the voting were displayed on the screen. The results of all resolutions proposed at the 41st AGM was subsequently announced to Bursa Malaysia Securities on the same day.

COMPLIANCE WITH MCCG

Overall, the Company has applied all the practices encapsulated in MCCG, except for those departures highlighted in the CG Report. The CG Report is available on the Company's website at www.tropicanaCorp.com.my/reports-and-presentations

The Company will continue to strive for high standards of corporate governance and improve the corporate governance practices throughout the Group.

KEY FOCUS AREAS AND FUTURE PRIORITIES

The Board is committed to ensuring good corporate governance and practices are implemented and maintained throughout Tropicana and its group of companies.

Moving forward, the Board will continue to improve the Company's corporate governance practices by taking steps to address the current departures from the practices stipulated in the MCGG and instill a risk and governance awareness culture and mindset throughout the organisation in the best interests of all stakeholders.

This Statement together with the CG Report were approved by the Board on 19 May 2021.

ADDITIONAL COMPLIANCE INFORMATION

The information set out below is disclosed in compliance with the Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Malaysia Securities**”):-

1) STATUS OF UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSAL

- (i) On 29 April 2020, the Company had established a Sukuk Wakalah Programme for the issuance of rated and senior ranking sukuk (“**Sukuk Wakalah**”) from time to time, with flexibility for the Company to issue secured and/or unsecured Sukuk Wakalah subject to the aggregate outstanding nominal amount of Sukuk Wakalah not exceeding RM1.5 billion at any point in time.

During the financial year ended 31 December 2020 (“**FY2020**”), the Company had issued the Sukuk Wakalah and the utilisation of the proceeds raised is as follows:-

Tranche No.	Date of Issuance	Amount (RM)	Tenure Year	Utilisation of Proceeds
1	14 May 2020	200,000,000	7	(i) Repayment of existing financing/borrowings to unencumber the secured properties; and (ii) Defraying fees, costs and expenses in relation to the issuance of the Sukuk Wakalah and Sukuk Wakalah Programme
2	30 June 2020	465,500,000	3	
2	30 June 2020	123,500,000	5	
3	3 September 2020	100,000,000	5	The remaining proceeds after (i) and (ii) above shall be utilised by the Company for the following Shariah compliant purposes :- (a) Capital expenditure and/or investments (including but not limited to the purchase of land(s), building(s), shares, property and/or payment into joint ventures) of the Company and/or its group of companies; (b) Working capital of the Company and/or its group of companies; (c) Refinancing of existing financing / borrowings of the Company or its group of companies; and/or (d) General corporate purpose of the Company and/or its group of companies
4	8 October 2020	179,000,000	3	
4	8 October 2020	139,000,000	5	
Total		1,207,000,000		

- (ii) On 21 June 2019, the Company had established a Perpetual Sukuk Programme for the issuance of unrated and senior ranking perpetual sukuk (“**Perpetual Sukuk**”) from time to time, with flexibility for the Company to issue secured and/or unsecured Perpetual Sukuk subject to the aggregate outstanding nominal amount of the Perpetual Sukuk not exceeding RM2.0 billion at any point in time.

The Company has not raised any proceed from the Perpetual Sukuk during FY2020.

2) AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees paid or payable to the External Auditors and/or affiliates by the Company and the Group for FY2020 are as follows:-

	Group (RM)	Company (RM)
Audit Fee	1,331,500	138,000
Non-Audit Fee	23,500	7,500
Total	1,355,000	145,500

3) MATERIAL CONTRACTS INVOLVING DIRECTORS AND MAJOR SHAREHOLDERS

There were no material contracts entered into by the Company and its subsidiaries involving Directors and major shareholders’ interests which were still subsisting as at the end of the financial year or which were entered into since the end of the previous financial year.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

Pursuant to paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Board of Directors (“**the Board**”) is pleased to provide the following statement on the state of internal control and risk management of the Group. This statement was prepared in accordance with the “Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers” issued by the Institute of Internal Auditors Malaysia. The framework is integrated into the Group’s overall management systems, defining the authorities involved, their responsibilities and accountability for implementing relevant internal controls.

RESPONSIBILITIES OF THE BOARD

The Board of Directors (the “**Board**”) of Tropicana Corporation Berhad (the “**Group**”) is highly committed to maintain a sound system of risk management and internal control in the Group. The Risk Management Framework includes the ongoing process of identifying, evaluating, responding, managing and monitoring significant risk that may affect the Group’s business performance, ensuring that optimum operational function is maintained at an acceptable risk appetite while striving to achieve Tropicana’s overall strategic objectives.

The Board endorses the Group’s risk management framework; delegating primary responsibilities for the implementation of the framework across the Group’s business operations to the Risk Management Committee, the Risk Management Department and Business/Operations Head. The Board acknowledges and approves the ongoing process of identifying, evaluating and managing all significant risks faced by the Group that has been in place for the year and up to the date of approval of this Statement for inclusion in Annual Report. In view of the inherent limitations in any system of the risk management and internal control processes, the said system, therefore, is put in place to provide reasonable, but not absolute assurance, against material misstatements, financial losses, defalcations or fraud.

During the financial year, the adequacy and effectiveness of the system of internal controls was reviewed by the Audit Committee in relation to the internal audits conducted by Group Internal Audit, as well as control issues reported by the external auditors. For the purpose of this review, the extent of responsibility does not extend to include that of the Group’s associated companies.

KEY FEATURES OF THE RISK MANAGEMENT FRAMEWORK

To ensure compliance with these guidelines, our group internal audit regularly reviews the integrity and effectiveness of the Group’s system of internal controls.

The Board, through its Risk Management Committee (“**RMC**”), is entrusted with the responsibility of implementing and maintaining the Enterprise Risk Management (“**ERM**”) framework to achieve the following objectives: -

- Communicate the vision, role, direction and priorities of the Group to all employees and key stakeholders;
- Continuously identify, assess, treat, report and monitor significant risks that impact the entire operations of the business in an effective manner; and
- Implement systematic risk review and reporting on key risks, existing control measures and any proposed action plans.

In emphasizing the Board’s continued commitment to developing an effective Risk Management Framework, the Enterprise Risk Management Programme (“**ERM**”) was formalised in the year 2012 and is overseen by the Risk Management Department to ensure that the Group remains aligned to the framework. The key features of the internal control systems and risk management are as described in the following section.

RISK MANAGEMENT GOVERNANCE AND PROCESSES

The Group’s RMC with the Board at its apex of the governance structure is assigned to monitor the overall risk profile. The RMC comprises representatives from the Board of Directors, the Chief Executive Officer and Senior Management with the support from the Group’s Risk Management Department. The overall risk reporting process includes three key focus areas as presented below:

- The Group’s risk register, encompassing significant and potential risks;
- Changes in risk status upon the implementation of mitigation measures; and
- The Group Risk Profile, highlighting risks pertinent to the operations of the Group is presented to the RMC on a quarterly basis.



Throughout the year, any significant risks highlighted by respective departments within the organisation are compiled and presented to the RMC for their deliberation and management decision. The Group has formulated a clear and defined risk organisation structure that outlines key responsibilities held by respective groups as presented below:

Roles and Responsibilities	
Board of Directors	<ul style="list-style-type: none">• Oversees the implementation of the Risk Management Framework• Endorses and provides final approval to all risk management strategies and planning
Risk Management Committee (“RMC”)	<ul style="list-style-type: none">• Receives quarterly updates of the Group’s risk management progress• Advises on risk management measures to be initiated by the Risk Management Department and applied by the Business/Operations Head
Risk Management Department	<ul style="list-style-type: none">• Review adequacy and effectiveness of risk management process and system• Review and present to the RMC, the broad terms risk guidelines and risk appetite of the Group on a periodic basis• Review identified key risks of the Group’s operations• Guide Business/Operations Head in identifying, evaluating and managing key risks• Report to the RMC on material and pervasive findings which exceeded the risk appetite and make appropriate recommendations
Business/Operations Head	<ul style="list-style-type: none">• Implements the risk management processes approved by the Board• Submits quarterly updates via the risk register to the Risk Management Department to be presented to the RMC for review and evaluation• Identifies potential and actual risks associated to their respective process and highlights the risk in the risk register

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

INCORPORATING RISK MANAGEMENT WITH MACRO-ECONOMIC OUTLOOK

Since its discovery in late 2019, COVID-19 has spread on a global scale and effectively declared as a pandemic by the World Health Organization (WHO). The repercussions of the pandemic have caused many disruptions to the property development industry which continue to affect the current status of the property market. Throughout FY2020, the Group has identified three (3) key risk areas as potential impacts that would affect our business operations:

Key Risk	Mitigations
Regulatory Compliance Risk	<ul style="list-style-type: none">Follow up closely with respective authorities to ensure continuous compliance to regulatory requirements
Operations Risk	<ul style="list-style-type: none">Prioritize and plan work orders by level of importanceMaintain close monitoring of construction progressConsider and propose alternative building materials to minimize supply chain disruptionEnhance focus on building sanitization measuresMandate compulsory use of personal protective equipment (PPE) for all personnel at the project siteAdopt stringent quality standards as outlined in MS ISO9001 throughout the development of Tropicana's projects
Market risk	<ul style="list-style-type: none">Conduct market surveys and feasibility studies prior to commencement of project developmentFormulate a comprehensive Group marketing campaignCreate promotions that target specific consumer market during the CMCO and MCO period

INTEGRATING RISK MANAGEMENT WITH SUSTAINABILITY

Year on year, the Group endeavors to continuously improve its business operations through sound risk management practices to ensure long term sustainability. Our Risk Management Department progressively works to align our sustainability reporting process presented within this Annual Report with our risk management framework to ensure that a balance is achieved between the focus on generating business gains while remaining socially responsible to the environment and the society in which we operate.

INTERNAL CONTROLS

Key elements of the Group's internal control environment are as follows:

Delegated Responsibilities through Organization Structure

The Group has an organization structure that clearly defines the reporting lines, roles and responsibilities, accountability and authority from Board and Management to operational levels. Various Board, Management and operational committees are in place to facilitate the decision making process. These committee have been given specific authority and responsibilities, which are stipulated in their respective terms of reference. The structure, terms of reference of these committees are periodically reviewed to ensure that they remain effective and aligned to the Group's needs.

- The following are the Board and Management Committees which have been established to assist the Board in discharging its duties:
 - Audit Committee
 - Risk Management Committee
 - Nomination Committee
 - Remuneration Committee
 - Pricing Committee
 - Investment Committee
- Board meetings are held quarterly with a formal agenda on matters for discussion. The Board monitors the Group's performance by reviewing the quarterly results and examines the announcement to be made to Bursa Malaysia Securities Berhad.
- Regular management and operation meetings are conducted by Senior Management which comprises the Group Chief Executive Officer, Deputy Group Chief Executive Officer, Managing Directors, Executive Directors and divisional heads.

Operational Policies, Procedures and Authorities

- Documented policies, procedures and standard operating procedures are in place to guide employees in their day to day work. These policies and procedures are reviewed and revised regularly to meet changing business and operational needs and regulatory requirements.
- The Group has clear limits of authority which defines the approving limits that have been assigned and delegated to each approving authority within the Group. The limits of authority will continue to be reviewed periodically and updated in line with changes in the organization.
- Internal control activities have been established in all business segments within the Group with clearly defined lines of responsibilities, authority limits for procurement and capital expenditure, awarding of contracts, approving operating expenditures and other significant transactions, segregation of duties, performance monitoring and safeguarding of assets.

Human Resource Management

- Established guidelines for recruitment, human resource development and performance appraisal to enhance employees competency levels have been disseminated to all employees. A performance management system is in place to monitor, appraise and reward employees'.
- Established training and development programme's are identified and scheduled for employees to acquire the necessary knowledge and competency to meet their performance and job expectations as well as to inculcate the Group's culture of continuous learning.

Integrity Management

- An Anti-Bribery and Corruption policy and procedures has been duly approved by the Board on 22 May 2020 and adopted accross the Group. The adopted policies and procedures are in line with the Malaysian Anti-Corruption Act 2009. This policy is available for reference on the Company's website at www.tropicanaCorp.com.my/corporate-governance
- A Whistleblowing Policy has been established to provide clarity of oversight of the whistleblowing process, protection and confidentiality to whistleblowers. The policy sets out a protocol for employees and stakeholders to raise genuine possibilities of improprieties, malpractices and misconduct within the Group for remedial action. This policy is available for reference on the Company's website at www.tropicanaCorp.com.my/corporate-governance

Quality Management System

- An Integrated Management System consisting of ISO 9001:2015 has been established and implemented to continuously provide high quality products.

Internal Audit

- The Group has an in-house internal audit team, that has been tasked to provide independent, reasonable and objective assurance, as well as internal consulting services to improve the overall efficiency of operations. The internal audit team assists the Group to achieve its objectives by bringing a systematic and disciplined approach in evaluating the effectiveness of the risk management, control and governance process. The audit practices are guide by Professional Internal Auditing Standards as prescribed by the Institute of Internal Auditors' International Professional Practices Framework ("IPPF").

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The External Auditors have performed limited assurance procedures on this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysia Institute of Accountants ("MIA") for inclusion in the Annual Report of the Group for the year ended 31st December 2020, and reported to the Board that nothing has come to their attention that causes them to believe the statement intended to be included in the Annual Report is not prepared, in all material respects, in accordance with the disclosures required by paragraph 41 and 42 of the Guidelines, nor is the Statement factually inaccurate.

AAPG 3 does not require the External Auditors to consider whether the Directors' Statement on Risk Management and Internal Control 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 Directors and management thereon. The report from the External Auditors was made solely for, and directed solely to the Board of Directors in connection with their compliance with the listing requirements of Bursa Securities and for no other purposes or parties. The External Auditors do not assume responsibility to any person other than the board of directors in respect of any aspect of this report.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

CONCLUSION

The Board has received reasonable assurance from the Group Managing Director and Chief Financial Officer that the Group’s existing risk management and internal control system is operating adequately and effectively in all material aspects to meet the Group’s objectives during the financial year under review. The Management has also provided the commitment to continuously review and strengthen the risk management and internal control system to ensure its adequacy and robustness.

The Board, after taking into consideration the assurance from the Management and input from relevant assurance providers, is of the view that the Group’s risk management and internal control system in place for the financial year under review is generally adequate and effective to safeguard the interest of shareholders and assets of the Group.

This Statement on Risk Management and Internal Control is made in accordance with the resolution of the Board of Directors dated 19 May 2021.

AUDIT COMMITTEE REPORT

The Board of Directors of Tropicana Corporation Berhad (“**Tropicana**” or “**Company**”) presents the Audit Committee Report of Tropicana for the financial year ended 31 December 2020 (“**FY2020**”) as follows:-

COMPOSITION OF THE AUDIT COMMITTEE

The Audit Committee comprised the following Directors during the FY2020:-

	Attendance
Mohd Najib Bin Abdul Aziz (Chairman/Independent Non-Executive Director)	5/5
Hafez Mohd Hashim Bin Razman Md Hashim (Member/Independent Non-Executive Director)	5/5
Loh Chen Peng (Member/Independent Non-Executive Director) (Resigned on 5 December 2020)	4/4
Vivienne Cheng Chi Fan (Member/Independent Non-Executive Director) (Appointed on 7 December 2020)	0/0

The Audit Committee has an independent Chairman, Mr. Mohd Najib Bin Abdul Aziz, who is not the Chairman of the Board of the Company. He possesses the necessary skills, capabilities and attributes to ensure that all Audit Committee meetings are efficiently conducted by fostering open discussions with all members of the audit committee on the agenda items during meetings so as to facilitate thorough considerations of all subject matters presented to the committee.

Mr. Mohd Najib Bin Abdul Aziz is a member of the Malaysian Institute of Accountants (MIA) and the Institute of Chartered Accountants in Australia (ICAA).

All members of the audit committee are Independent Non-Executive Directors and are financially literate. The composition of the Audit Committee is in compliance with Paragraphs 15.09 and 15.10 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and Step-up Practice 8.4 of the Malaysian Code of Corporate Governance. The profiles of the audit committee members are disclosed on page 136.

MEETINGS OF THE AUDIT COMMITTEE

The Audit Committee held five (5) meetings during the FY2020. Details of the member’s attendance at the meetings held are disclosed in the table above.

The Executive Directors of the Board, which included the Group Chief Executive Officer, Deputy Group Chief Executive Officer, Group Managing Director and Senior Management attended the Audit Committee meetings held in FY2020 upon invitation by the Chairman of the Audit Committee. The Group’s Head of Internal Audit attended all the Audit Committee meetings.

The External Auditors’ attended three (3) of the Audit Committee meetings held on 24 February 2020, 3 June 2020 and 12 November 2020 during the financial year under review.

During the FY2020, the Board was satisfied that the Audit Committee and its members have been able to discharge its functions, duties and responsibilities in accordance with the terms of reference of the Audit Committee.

The Audit Committee has direct access to the External Auditors and internal auditors, or vice versa.

TERM OF REFERENCE

The Audit Committee has discharged its functions and carried out its duties as set out in the Term of Reference (“**TOR**”). The TOR of the Audit Committee had been revised on 12 November 2020 and approved by the Board of Directors on 19 November 2020. The revised TOR is available for reference on the Company’s website at www.tropicanacorp.com.my/investor-relations/board-charter

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE DURING THE YEAR

During the financial year under review, the Audit Committee had carried out the following activities in discharging its functions and duties, which are in line with its responsibilities as set out in its TOR.

The activities of the audit committee for the FY2020 with regard to matters relating to the financial statements of the Group and External Auditors were as follows:

- Reviewed the unaudited quarterly financial results including its related Bursa Securities’ announcement and press statements, the consolidated annual audited financial statements of the Company and the Group, prior to recommending the same to the Board for approval, focusing particularly on:
 - the overall performance and prospects of the Group;
 - the changes and implementation of major accounting policies and practices and the auditor’s report highlighting the key audit matters and the implications on the Group;
 - compliance with accounting standards and other legal requirements; and
 - significant accounting and audit matters raised by the External Auditors in the financial statements and the corresponding judgement made by the Management.

AUDIT COMMITTEE REPORT

- Discussed significant accounting and audit issues in respect of the financial statements of the Company for the financial year ended 31 December 2019 with the External Auditors and assessed the actions and procedures taken by the External Auditors in respect to those areas.

- Reviewed the performance of the External Auditors, by taking into consideration their suitability, objectivity and independence, in relation to their competency, audit quality and resource capacity in performing the audit of the Group and recommended their re-appointment to the Board. The annual assessment was performed by Group Finance Department and the External Auditors have reconfirmed to the Audit Committee their independence in carrying out the audit for the financial statements of the Group for the financial year ended 31 December 2019 vide the report of audit results submitted to the Audit Committee as well confirmation obtained at the Audit Committee meeting.

The Board had recommended the re-appointment of Messrs. Ernst & Young PLT as External Auditors of the Company for FY2020 at the Company's 41st Annual General Meeting held on 9 September 2020, which was approved by the shareholders.

- Reviewed audit planning memorandum for FY2020 with the External Auditors' including the adequacy of the external audit team. The areas of audit emphasis and action plans were discussed in length with the External Auditors and the Management to ensure that adequate actions were carried out to ascertain compliance with the relevant accounting standards, prior to finalizing the audited financial statements of the Group. Received the declaration of independence in writing by the External Auditors in respect of the audit for FY2020.

- Reviewed the amount of audit and non-audit fees paid or payable by the Group and its subsidiaries to the External Auditors for FY2019. The total amount of both the audit and non-audit for FY2020 was compared against the previous year and any increase or decrease in fees was appropriately justified by the Management, taking into consideration the implementation of MFRS framework, level of activities of the Group, inflationary factors and reference to the fees payable to other companies in the same industry.

- Held two (2) private sessions on 24 February 2020 and 12 November 2020 with the External Auditors without the presence of the Executive Directors and Management, to review key issues within their sphere of coverage and responsibilities in regards to the Audit of the Financial Statements of the Group for FY2019. It was noted that Audit Committee members had confirmed that they did not have any knowledge of fraud within the Group.

The activities of the audit committee for the FY2020 with regard to matters relating to internal audit function, internal controls and operations were as follows:

- Reviewed the internal audit reports prepared by the Internal Auditors and provided constructive feedback in ensuring the adequacy and effectiveness of the internal control system of the Group. Where appropriate, the Audit Committee directed the Management to rectify and improve control procedures. The Audit Committee also monitored the progress of the agreed upon action plans taken by Management to close the audit findings.

- Reviewed the business plan for the financial years 2020-2022 for recommendations to the Board for approval.

- Reviewed the proposed issuance of rated sukuk program proposed by Group Treasury for recommendations to the Board for approval.

- Reviewed the Audit Committee report, Statement of Risk Management and Internal Control and the Additional Compliance Information to ensure adherence to legal and regulatory reporting requirements and appropriate resolution of accounting matters requiring judgement and recommended the same to the Board for approval.

- Reviewed the proposed amendments to the TOR of the Audit Committee for recommendations to the Board for approval.

- Reviewed and approved the Internal Audit Plan for FY2020 proposed by the Internal Auditors to ensure adequate scope and coverage of the Group's activities based on identified and assessed key risk areas. Also considered the adequacy of the manpower sufficiency of the internal audit team to perform the activities envisaged in the internal audit plan.

- Reviewed the procedures for recurrent related party transactions for purposes of ensuring that the processes and controls were in place to ensure that recurrent related party transactions were not more favorable to the related parties than those generally available to the public and were not to the detriment of the minority shareholders.

INTERNAL AUDIT FUNCTION

The Audit Committee is supported by an independent and adequately resourced in-house Group Internal Audit ("**GIA**") in the discharge of its duties and responsibilities. The function of GIA is guided by its Internal Audit Charter which defines the authority, duties, and responsibilities and independence of all GIA members.

GIA is headed by Ms. Rachel Ng Kim Gek, a chartered accountant and a member the Institute of Internal Auditors Malaysia and member of Malaysian Institute of Accountants.

GIA reports functionally to the Audit Committee and maintains its impartiality, proficiency and due professional care. The principal responsibility of GIA is to provide independent and objective assurance and advisory services designed to add value and improve the operations of the Group. This includes the continuous examination and evaluation of the adequacy and effectiveness of the Group's risk management, internal control and governance processes.

The audit approach and objectives are based on the guidance of the Institute of Internal Auditors' International Professional Practices Framework ("**IPPF**") and the Committee of Sponsoring Organisations of the Treadway Commission ("**COSO**") Internal Control – Integrated Framework. Reference is made to the frameworks in assessing and reporting on the adequacy and effectiveness of the internal control, governance and risk management.

During the year GIA carried out the following key activities:

- Performed audit engagement which covered the review of internal controls on key operating processes based on the approved internal audit plan using a risk-based approach, and progressively issuing detailed internal audit reports to the AC.

During FY2020, internal audit reports which incorporates key control issues, significant risks, recommendations to improve on matters raised during the course of the audits and managements comments and remedial actions were issued and tabled to the Audit Committee. None of the audit findings have resulted in any material losses, contingencies or uncertainties that would require disclosure in the Company's Annual Report.

- Prepared the annual audit plan for deliberation and approval by the Audit Committee.

- Performed follow up procedures on the implementation of agreed upon action plans to ensure that necessary actions have been taken/ are being taken as recommended.

- Reviewed recurring related party transactions on a quarterly basis on the adequacy, appropriateness and compliance of existing established procedures on monitoring of recurrent related party transactions.

- Reviewed on ad-hoc basis, areas where there were concerns that affected financial reporting, internal controls and governance. In an effort to provide value added services, GIA also provided additional assurance and advisory services upon request by Management in relation to compliance, governance, risk management and internal controls.

GIA is adequately resourced with a total of 7 internal auditors. All internal auditors are equipped with relevant experience and professional qualifications and are members of The Institute of Internal Auditors Malaysia. In order to perform their functions effectively, the internal auditors are encouraged to continuously enhance their knowledge, skills and competencies through relevant professional courses, seminars, training courses and on-the-job-training.

None of the internal audit personnel has any relationships or conflict of interest that could impair their objectivity and independence in conducting their internal audit functions.

The total costs incurred for the internal audit function for FY2020 was RM981,628 (2019: RM1,002,023).

The Audit Committee Report is made in accordance with a resolution of the Board dated 19 May 2021.

THE ART OF PLANNING

Our business relies on smart planning and precise coordination to enhance our customers' experience of Tropicana's wide array of services and developments. Our plan is to reshape the future, leverage our strengths and provide the maximum value for our shareholders, our customers and our residents.

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STATEMENT OF DIRECTORS' RESPONSIBILITY

The Directors are required by the Companies Act 2016 (“**the Act**”) to prepare the financial statements for each financial year which have been properly drawn up in accordance with the provisions of the Act, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the applicable Financial Reporting Standards in Malaysia.

The Directors are responsible for ensuring that the financial statements give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year and of the results and cash flows of the Group and of the Company for the financial year.

In preparing the financial statements, the Directors have:

- Adopted appropriate accounting policies and applied them consistently;
- Made judgments and estimates that are reasonable and prudent; and
- Prepared the financial statements on a going concern basis.

The Directors are responsible to ensure that the Group and the Company keep accounting records which disclose the financial position of the Group and of the Company with reasonable accuracy, enabling them to ensure that the financial statements comply with the Act.

The Directors are also responsible for taking such steps as are reasonably open to them to preserve the interests of stakeholders, to safeguard the assets of the Group and of the Company and to detect and prevent fraud and other irregularities.

DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2020.

PRINCIPAL ACTIVITIES

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

The principal activities of the subsidiaries, associate and joint ventures are disclosed in Notes 18, 19 and 20 to the financial statements respectively.

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

RESULTS

	Group RM'000	Company RM'000
Profit/(loss) net of tax for the financial year	146,557	(29,297)
Profit/(loss) attributable to:		
Owners of the parent	91,307	(46,658)
Holders of perpetual bond	17,361	17,361
Non-controlling interests	37,889	-
	146,557	(29,297)

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

DIVIDEND

The amount of dividend paid by the Company since 31 December 2019 was as follows:

	RM'000
In respect of the financial year ended 31 December 2020:	
First interim single-tier share dividend paid by way of distribution of treasury shares on the basis of 4.5 treasury shares for every 100 existing ordinary shares held in the Company. The share dividend was declared on 13 October 2020 and 63,104,998 ordinary shares were credited into entitled depositors' securities accounts on 12 November 2020	53,829

The directors do not recommend a final dividend in respect of the financial year ended 31 December 2020.

DIRECTORS' REPORT

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company issued Islamic Medium Term Note (“**Sukuk Wakalah**”) of RM1.207 billion in nominal value (“**Sukuk Issuance**”) out of its RM1.5 billion Sukuk Wakalah Programme, which has been assigned a credit rating of A+_{IS} with a stable outlook by Malaysian Rating Corporation Berhad.

The proceeds from the issuance of the Sukuk Wakalah shall be utilised by the Company for the following Shariah-compliant purposes in the following order of priority:

- (i) repayment of existing financing/borrowings to unencumber the secured properties; and
- (ii) defraying fees, costs and expenses in relation to the issuance of the Sukuk Wakalah and Sukuk Wakalah Programme.

The remaining proceeds after (i) and (ii) above shall be utilised by the Company for the following Shariah-compliant purposes:

- (a) capital expenditure and/or investments (including but not limited to the purchase of land(s), building(s), shares, property and/or payment into joint ventures) of the Company and/or its group of companies;
- (b) working capital of the Company and/or its group of companies;
- (c) refinancing of existing financing/borrowings of the Company or its group of companies; and/or
- (d) general corporate purpose of the Company and/or its group of companies.

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

DIRECTORS

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

Tan Sri Dr Lim Wee Chai	
Tan Sri Dato' Tan Chee Sing	
Lee Han Ming	(Appointed on 4 February 2021)
Dion Tan Yong Chien	
Jared Ang Tzer Shen	(Appointed on 13 October 2020)
Datuk Tang Vee Mun	
Mohd Najib Bin Abdul Aziz	
Datuk Wira Lye Ek Seang	
Alice Dora Boucher	
Tan Sri Dato' Sri Mohamad Fuzi Bin Harun	(Appointed on 27 October 2020)
Vivienne Cheng Chi Fan	(Appointed on 7 December 2020)
Datuk Siw Chun A/P Eam	(Appointed on 4 February 2021)
Dato' Dr Teo Tong Kooi	(Appointed on 25 March 2021)
Dato' Sri Badrul Hisham Bin Abdul Aziz	(Appointed on 11 May 2021)
Dato' Dickson Tan Yong Loong	(Resigned on 6 October 2020)
Yeow Wai Siaw	(Resigned on 31 October 2020)
Loh Chen Peng	(Resigned on 5 December 2020)
Hafez Mohd Hashim Bin Razman Md Hashim	(Resigned on 4 February 2021)

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

Tan Sri Dato' Lim Kang Hoo
Tan Sri Dato' Nik Hashim Bin Nik Abdul Rahman
Tan Sri Datuk Seri Lim Keng Cheng

DIRECTORS (CONT'D.)

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

Dato' Avinderjit Singh A/L Harjit Singh	(Appointed on 1 February 2021)
Dato' Br. Paul Ho Kok Chee	
Dato' Dickson Tan Yong Loong	
Dato' Gan Nyap Liou @ Gan Nyap Liow	
Dato' Haji Ismail Bin Karim	
Dato' Tan Kim Kuan	
Dato' Ng Tian Sang @ Ng Kek Chuan	
Dato' Seri Dr. Chen Chaw Min	(Appointed on 2 March 2021)
Datuk Hj Md Afendi Bin Hamdan	(Appointed on 2 March 2021)
Datuk Seri Haji Rizuan Bin Abdul Hamid	
Andrew Ashvin A/L Podimhatia	
Chin Kok Ping	(Appointed on 1 February 2020)
Ching Hong Tat	
Chua Guit Hong	
Diana Tan Sheik Ni	
Dillon Tan Yong Chin	
Din Tan Yong Chia	
Hafez Mohd Hashim Bin Razman Md Hashim	(Appointed on 4 February 2021)
Hii Pik Lin	
Howard Ng How Er	
Idris Bin Ishak	(Appointed on 20 April 2021)
Jeffrey Tan Siew Yang	
Lee Gia Yuann	(Appointed on 30 June 2020)
Lee Sor Phaik	
Liew Mee Ping	(Appointed on 13 May 2020)
Liew Voon Keong	
Lim Chen Herng	
Lim Lai Seng	
Lim Soon Mun @ Albert	(Appointed on 13 May 2020)
Lok Chee Yean	(Appointed on 14 December 2020)
Loong Mei Yin	
Low Yung Hui	
Mohamad Surur Bin Ahmad Thayar	(Appointed on 20 April 2021)
Mohd Suriga Bin Md Sachari	
Mohd Zapi Bin Abdullah	
Nor Azlina Binti Amran	
Peter Kuan Teck Sing	(Appointed on 30 June 2020)
Phuar Bee Ling	
Sng Beng Hock Michael	
Tan Chien Chyi	
Tan Chien Wen	
Tan Chien Yih	
Tan Teow Keat	
Tang Chee Heng	
Ung Lay Ting	
Wan Khim Fai	(Appointed on 28 August 2020)
Wong Weng Keong Allan	(Appointed on 21 September 2020)

DIRECTORS' REPORT

DIRECTORS (CONT'D.)

The names of the directors of the Company’s subsidiaries in office since the beginning of the financial year to the date of this report (not including those directors listed above) are: (cont’d.)

Mohamad Sharif Bin Mok Som	(Resigned on 1 February 2020)
Siti Zubaidah Binti Abdul Jabar	(Resigned on 1 February 2020)
Lee Wee Fatt	(Resigned on 4 February 2020)
Chan Wai Cheong	(Resigned on 4 February 2020)
Chaw Yeap Leong	(Resigned on 4 February 2020)
Sie Choo Hing	(Resigned on 4 February 2020)
Tia Eng Kian	(Resigned on 4 February 2020)
Mohd Sohimin Bin Mohd Alayedin	(Resigned on 31 March 2020)
Tan Sri Datuk Lee Fook Long	(Resigned on 28 May 2020)
Datuk Lim Thean Shiang	(Resigned on 1 June 2020)
Eric Ooi	(Appointed on 30 June 2020 and resigned on 9 October 2020)
Choo Yung Yau	(Resigned on 20 November 2020)
Tan Kar Eng	(Resigned on 29 December 2020)
Roslan Bin Yahya	(Resigned on 24 February 2021)
Mohd Muhidin Bin Faharuddin	(Appointed on 1 February 2020 and resigned on 20 April 2021)
Roslan Bin Mohamed	(Appointed on 25 February 2020 and resigned on 20 April 2021)
Almiran Anuar	(Appointed on 10 August 2020 and resigned on 30 April 2021)

DIRECTORS’ BENEFITS

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

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown in Note 11 to the financial statements) by reason of a contract made by the Company or a related corporation with any director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, except as disclosed in Note 37 to the financial statements.

DIRECTORS’ INTERESTS

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

	<div>← Tropicana Corporation Berhad →</div> <div>← Number of ordinary shares →</div>			
	At 1 January 2020/date of appointment	Acquired [^]	Disposed	At 31 December 2020
Direct interest				
Tan Sri Dr Lim Wee Chai	155,223,865	6,985,072	-	162,208,937
Tan Sri Dato’ Tan Chee Sing	358,234,048	15,608,427	(11,380,000)	362,462,475
Datuk Wira Lye Ek Seang	2,980,427	-	(2,980,427)	-
Jared Ang Tzer Shen	4,323	194	-	4,517
Deemed Interest				
Tan Sri Dato’ Tan Chee Sing ¹	555,179,264	24,334,157	(19,160,000)	560,353,421
Jared Ang Tzer Shen ²	221,676	9,975	-	231,651

DIRECTORS’ INTERESTS (CONT’D.)

According to the Register of Directors’ Shareholdings, the interests of directors in office at the end of the financial year in ordinary shares and irredeemable convertible preference shares over ordinary shares in the Company and its related corporations during the financial year were as follows: (cont’d.)

	<div>← Tropicana Corporation Berhad →</div> <div>← Number of Irredeemable Convertible Preference Shares →</div>			
	At 1 January 2020	Acquired	Exercised	At 31 December 2020
Deemed Interest				
Tan Sri Dato’ Tan Chee Sing ³	982,386,093	-	-	982,386,093

¹ Deemed interest by virtue of his interests in Aliran Firasat Sdn Bhd, Golden Diversity Sdn Bhd, Impeccable Ace Sdn Bhd pursuant to Section 8 of the Companies Act 2016 and spouse and child’s interests pursuant to Section 59(11) of the Companies Act 2016.

² Deemed interest by virtue of Section 8 of the Companies Act 2016 held through spouse.

³ Deemed interest by virtue of his interests in T Shares 1 Sdn Bhd, Dasen Resources Sdn Bhd and DIT Sdn Bhd pursuant to Section 8 of the Companies Act 2016.

[^] The acquisition is by way of share dividend.

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

DIRECTORS’ INDEMNITY

During the financial year, the total amount of indemnity coverage and insurance premium paid for directors and officers of the Group and of the Company were RM30,000,000 and RM36,050 respectively.

TREASURY SHARES

During the financial year, the Company:

- (i) repurchased 55,991,500 of its issued ordinary shares from the open market at an average price of RM0.84 per share. The shares repurchased are being held as treasury shares in accordance with Section 127 of the Companies Act 2016; and
- (ii) declared a first interim single-tier share dividend in respect of the financial year ended 31 December 2020 paid by way of distribution of 63,104,998 treasury shares on the basis of 4.5 treasury shares for every 100 existing ordinary shares held in the Company. The treasury shares were repurchased at an average price of RM0.85 per share.

As at 31 December 2020, the number of treasury shares held are 8,378,243 ordinary shares. Such treasury shares are held at carrying amount of RM6,882,000 and further relevant details are disclosed in Note 28(a) to the financial statements.

DIRECTORS' REPORT

OTHER STATUTORY INFORMATION

- (a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances which would render:
- (i) the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and
 - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
- (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the directors:
- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due;
 - (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; and
 - (iii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

SIGNIFICANT AND SUBSEQUENT EVENTS

In addition to the significant events disclosed elsewhere in this report, other significant and subsequent events are disclosed respectively in Notes 44 and 45 to the financial statements.

AUDITORS

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

The remuneration of the auditors of the Group and of the Company is disclosed in Note 9 to the financial statements.

INDEMNIFICATION OF AUDITORS

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

Signed on behalf of the Board in accordance with a resolution of the directors dated 19 May 2021.

Lee Han Ming

Dion Tan Yong Chien

STATEMENT BY DIRECTORS

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

We, Lee Han Ming and Dion Tan Yong Chien, being two of the directors of Tropicana Corporation Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 165 to 292 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2020 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 19 May 2021.

Lee Han Ming

Dion Tan Yong Chien

STATUTORY DECLARATION

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

I, Lim Lai Seng, being the officer primarily responsible for the financial management of Tropicana Corporation Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 165 to 292 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared
by the abovenamed Lim Lai Seng
at Petaling Jaya in the State of
Selangor Darul Ehsan on 19 May 2021

Lim Lai Seng
[MIA 15154]

Before me,
Commissioner of Oaths

INDEPENDENT AUDITORS' REPORT

To the members of Tropicana Corporation Berhad (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Tropicana Corporation Berhad, which comprise the statements of financial position as at 31 December 2020 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 165 to 292.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2020, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for opinion

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

Independence and other ethical responsibilities

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

KEY AUDIT MATTERS

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

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

INDEPENDENT AUDITORS' REPORT

To the members of Tropicana Corporation Berhad (Incorporated in Malaysia)

KEY AUDIT MATTERS (CONT'D.)

Revenue and cost of sales in respect of property development activities

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

A significant proportion of the Group’s revenues and profits are derived from property development contracts which span more than one accounting period. For the financial year ended 31 December 2020, property development revenue from ongoing projects of RM437,825,000 and cost of sales of RM298,408,000 accounted for approximately 41% and 58% of the Group’s revenue and cost of sales respectively. For these property development contracts where revenue is recognised over time, the Group uses the input method in determining the percentage of completion, which is based on the actual cost incurred to date on the property development project over the total budgeted cost for the respective development projects in accounting for the progress towards complete satisfaction of the Group’s performance obligation.

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

How our audit addressed this matter

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

- We obtained an understanding of the internal controls over the accuracy and timing of revenue recognised in the financial statements, including controls performed by management in estimating the total property development cost;
- We obtained an understanding of the internal control over the timeliness of updating the gross development value of each property development project by the management by reference to the latest selling price;
- We read the sale and purchase agreements entered into with the customers on a sampling basis to obtain an understanding of the specific terms and conditions;
- We evaluated the assumptions applied in estimating the total property development costs on a sampling basis by examining documentary evidence such as letters of award issued to contractors to support the total budgeted costs. We also considered the historical accuracy of management’s budgets for the similar property development projects in evaluating the estimated total property development costs;
- We evaluated the determination of the progress towards complete satisfaction of the Group’s performance obligation by examining supporting evidence such as contractors’ progress claims and suppliers’ invoices; and
- We observed the progress of the property developments on a sampling basis by performing site visit.

KEY AUDIT MATTERS (CONT'D.)

Valuation of investment properties

(Refer to Note 17 to the financial statements)

The carrying value of the Group’s investment properties as at 31 December 2020 was RM1,524,337,000, representing 16% and 13% of the Group’s total non-current assets and total assets respectively. The Group adopts fair value model for its investment properties. When estimating the fair value of a property, the objective is to estimate the price that would be received from the sale of the investment property in an orderly transaction between market participants at the reporting date under current market conditions. In addition, the fair value should reflect, among other things, the property related data used as input to the valuation model and other assumptions that market participants would use when pricing the investment property under current market conditions, which are highly judgmental. Accordingly, we consider this to be an area of audit focus.

How our audit addressed the matter

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

- We considered the objectivity, competence and capabilities of the firms of independent valuers;
- We obtained an understanding of the methodology adopted by the independent valuers in estimating the fair values of the investment properties and assessed whether such methodology is consistent with those used in the industry;
- As part of our evaluations of the fair values of investment properties, we had discussions with the independent valuers to obtain an understanding of their valuation process which included assessment of the comparability of historical transactions used and property related data used as input to the valuation models;
- We obtained an understanding of the adjustments factors made by the valuers to account for differences in, amongst others, the occupancy rate, property’s location, property’s size and tenure between the subject property and the comparable properties; and
- We also assessed whether the capitalisation rate used in the valuation models reflects the return that investors would require if they were to choose an investment that would generate cash flows of amounts, timing and risk profile equivalent to those that the entity expects to derive.

Impairment of property, plant and equipment

(Refer to Note 15 to the financial statements)

The Group is required to perform impairment test of Cash Generating Unit (“CGU”) whenever there is an indication that the CGU may be impaired by comparing the carrying amount with its recoverable amount.

Included in the carrying amounts of the Group’s non-current assets as at 31 December 2020 are property, plant and equipment relating to its hotel operations (“Hotel Buildings”) amounting to RM485,000,000. The management determined that there is an indication of impairment of its Hotel Buildings due to economic performance of hotel operations, which is below expectation as a result of the adverse impact to the hospitality industry caused by the COVID-19 pandemic.

Accordingly, the Group engaged a firm of independent valuers to estimate the fair value of its Hotel Buildings by using the income approach, which involves the estimation of the future cash inflows and outflows that will be derived from its hotel operations and discounting them with an appropriate discount rate. The aforementioned impairment review gave rise to an impairment loss of the Hotel Buildings of RM33,650,000 representing 14% of the Group’s profit before tax. This impairment review process involved assumptions that are highly judgemental and we consider this to be an area of audit focus.

INDEPENDENT AUDITORS' REPORT

To the members of Tropicana Corporation Berhad (Incorporated in Malaysia)

KEY AUDIT MATTERS (CONT'D.)

Impairment of property, plant and equipment (cont'd.)

(Refer to Note 15 to the financial statements) (cont'd.)

How our audit addressed this matter

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

- We considered the objectivity, competence and capabilities of the firms of independent valuers;
- We obtained an understanding of the methodology adopted by the independent valuers in estimating the fair values of the Hotel Buildings and assessed whether such methodology is consistent with those used in the industry;
- As part of our evaluations of the fair value of the Hotel Buildings, we had discussions with the independent valuers to obtain an understanding of the property and hospitality industries related data used as input to the valuation models;
- We assessed the key assumptions applied by the independent valuers by making comparisons to data such as average occupancy rate and average room rates, taking into consideration the internal empirical data, the current and expected outlook of the industry; and
- We also assessed whether the capitalisation rate used in the valuation models reflects the return that investors would require if they were to choose an investment that would generate cash flows of amounts, timing and risk profile equivalent to those that the entity expects to derive.

Information other than the financial statements and auditors' report thereon

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

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

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

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

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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 skepticism throughout the audit. We also:

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

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

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

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

INDEPENDENT AUDITORS' REPORT

To the members of Tropicana Corporation Berhad (Incorporated in Malaysia)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 18 to the financial statements.

OTHER MATTERS

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

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

Hoh Yoon Hoong
No. 02990/08/2022 J
Chartered Accountant

Kuala Lumpur, Malaysia
19 May 2021

STATEMENTS OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2020

	Note	Group 2020 RM'000	2019 RM'000	Company 2020 RM'000	2019 RM'000
Revenue	4	1,062,571	1,135,843	56,279	72,197
Cost of sales	5	(513,626)	(639,408)	(19,159)	(24,276)
Gross profit		548,945	496,435	37,120	47,921
Other income	6	172,137	371,743	1,450	1,379
Selling and marketing expenses		(23,278)	(27,877)	-	-
Administrative expenses		(266,152)	(268,493)	(17,401)	(40,006)
Other expenses		(51,619)	(159,029)	(16,953)	(62,994)
Operating profit/(loss)		380,033	412,779	4,216	(53,700)
Finance income	7	17,780	18,468	68,418	31,978
Finance costs	8	(164,287)	(75,850)	(101,389)	(36,332)
Share of results of joint ventures		(1,168)	11,258	-	-
Share of results of an associate		6,046	819	-	-
Profit/(loss) before tax	9	238,404	367,474	(28,755)	(58,054)
Income tax expense	12	(91,847)	(28,139)	(542)	(764)
Profit/(loss) net of tax for the financial year		146,557	339,335	(29,297)	(58,818)
Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent period					
Foreign currency translation		(45)	65	-	-
Total comprehensive income/(loss)		146,512	339,400	(29,297)	(58,818)
Profit/(loss) attributable to:					
Owners of the parent		91,307	320,759	(46,658)	(63,479)
Holders of perpetual bond		17,361	4,661	17,361	4,661
Non-controlling interests		37,889	13,915	-	-
		146,557	339,335	(29,297)	(58,818)
Total comprehensive income/(loss) attributable to:					
Owners of the parent		91,262	320,824	(46,658)	(63,479)
Holders of perpetual bond		17,361	4,661	17,361	4,661
Non-controlling interests		37,889	13,915	-	-
		146,512	339,400	(29,297)	(58,818)
Earnings per share attributable to owners of the parent (sen per share)					
- Basic	13	6.37	22.28		
- Diluted	13	3.78	20.99		

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

STATEMENTS OF FINANCIAL POSITION - GROUP

As at 31 December 2020

	Note	2020 RM'000	2019 RM'000
Assets			
Non-current assets			
Property, plant and equipment	15	770,546	764,954
Inventories	16	6,517,540	6,154,933
Investment properties	17	1,614,481	1,377,034
Right-of-use assets	35	139,285	138,952
Investment in an associate	19	95,884	90,565
Investments in joint ventures	20	278,328	264,985
Other investments	21	151,861	312
Intangible assets	22	3,927	1,037
Deferred tax assets	31	122,862	111,348
Trade and other receivables	23	18,072	10,294
Contract assets	24	-	18,675
		9,712,786	8,933,089
Current assets			
Inventories	16	591,105	749,513
Trade and other receivables	23	518,070	442,755
Contract cost assets	25	40,695	20,552
Contract assets	24	298,664	285,036
Tax recoverable		18,300	28,391
Cash and bank balances	26	621,892	754,949
Biological assets	36	219	-
		2,088,945	2,281,196
Assets classified as held for sale	27	-	75,700
Total assets		11,801,731	11,289,985

Equity and liabilities

Equity attributable to owners of the parent

Share capital	28	2,044,322	2,044,322
Irredeemable convertible preference shares	30	1,004,593	1,004,593
Treasury shares	28	(6,882)	(13,648)
Other reserves	29	1,664,148	1,626,715
		4,706,181	4,661,982
Perpetual bond	30	252,613	252,661
Non-controlling interests		800,512	734,045
Total equity		5,759,306	5,648,688

Non-current liabilities

Deferred tax liabilities	31	543,877	505,055
Borrowings	32	3,078,042	1,576,912
Trade and other payables	33	461,952	501,190
Irredeemable convertible preference shares	30	174,007	163,355
Contract liabilities	34	135,052	135,524
Tax payable		-	3,400
Lease liabilities	35	6,126	3,650
		4,399,056	2,889,086

Current liabilities

Borrowings	32	518,729	942,203
Trade and other payables	33	1,057,505	1,599,617
Irredeemable convertible preference shares	30	3,593	10,915
Contract liabilities	34	48,902	174,806
Tax payable		12,067	21,465
Lease liabilities	35	2,573	3,205
		1,643,369	2,752,211
Total liabilities		6,042,425	5,641,297

Total equity and liabilities		11,801,731	11,289,985
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STATEMENT OF FINANCIAL POSITION - COMPANY

As at 31 December 2020

	Note	2020 RM'000	2019 RM'000
Assets			
Non-current assets			
Property, plant and equipment	15	1,121	1,821
Right-of-use assets	35	730	1,204
Investments in subsidiaries	18	3,070,443	2,989,848
Other investments	21	887	312
Deferred tax assets	31	697	811
Trade and other receivables	23	1,207,389	389
		4,281,267	2,994,385
Current assets			
Trade and other receivables	23	1,586,223	1,554,286
Tax recoverable		198	-
Cash and bank balances	26	64,975	52,011
		1,651,396	1,606,297
Total assets		5,932,663	4,600,682
Equity and liabilities			
Equity			
Share capital	28	2,044,322	2,044,322
Irredeemable convertible preference shares	30	1,004,593	1,004,593
Treasury shares	28	(6,882)	(13,648)
Other reserves	29	400,256	500,743
		3,442,289	3,536,010
Perpetual bond	30	252,613	252,661
Total equity		3,694,902	3,788,671

	Note	2020 RM'000	2019 RM'000
Non-current liabilities			
Borrowings	32	1,524,304	128,104
Irredeemable convertible preference shares	30	174,007	163,355
Lease liabilities	35	283	300
		1,698,594	291,759
Current liabilities			
Borrowings	32	147,457	207,986
Trade and other payables	33	387,667	299,856
Irredeemable convertible preference shares	30	3,593	10,915
Tax payable		-	578
Lease liabilities	35	450	917
		539,167	520,252
Total liabilities		2,237,761	812,011
Total equity and liabilities		5,932,663	4,600,682

For the financial year ended 31 December 2020

STATEMENTS OF CHANGES IN EQUITY - GROUP

	Attributable to owners of the parent									
	Non-distributable									
	Irredeemable convertible		Foreign currency			Non-				
	Share capital	preference	Treasury shares	translation reserve	Retained earnings	Total reserves	Perpetual bond	Non-controlling interests	Total equity	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
	Note 28	Note 30	Note 28	Note 29(a)	Note 29(c)	Note 30	Note 30			
At 1 January 2020	2,044,322	1,004,593	(13,648)	(64)	1,626,779	1,626,715	252,661	734,045	5,648,688	
Total comprehensive income	-	-	-	(45)	91,307	91,262	-	37,889	129,151	
Distribution for the financial year	-	-	-	-	-	-	17,361	-	17,361	
Distribution paid for the financial year	-	-	-	-	-	-	(17,409)	-	(17,409)	
Transactions with owners:										
Issuance of ordinary shares and preference shares to non-controlling interests	-	-	-	-	-	-	-	30,802	30,802	
Redemption of preference shares from non-controlling interests	-	-	-	-	-	-	-	(1,600)	(1,600)	
Liquidation of a subsidiary	-	-	-	-	-	-	-	(150)	(150)	
Adjustment of non-controlling interest measured at proportionate share of prior year's acquired subsidiaries' identifiable net assets	-	-	-	-	-	-	-	(450)	(450)	
Acquisition of subsidiaries	-	-	-	-	-	-	-	(24)	(24)	
Purchase of treasury shares	-	-	(47,063)	-	-	-	(47,063)	-	(47,063)	
Dividends paid via distribution of treasury shares	-	-	53,829	-	(53,829)	(53,829)	-	-	-	
Total transactions with owners	-	-	6,766	-	(53,829)	(53,829)	-	28,578	(18,485)	
At 31 December 2020	2,044,322	1,004,593	(6,882)	(109)	1,664,257	1,664,148	252,613	800,512	5,759,306	

	Attributable to owners of the parent									
	Non-distributable									
	Irredeemable convertible		Foreign currency			Non-				
	Share capital	preference	Treasury shares	translation reserve	Warrants 2009/2019	Retained earnings	Total reserves	Perpetual bond	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
	Note 28	Note 30	Note 28	Note 29(a)	Note 29(b)	Note 29(c)	Note 30	Note 30		
At 1 January 2019	2,044,314	-	(25,094)	(129)	45,960	1,338,619	1,384,450	-	409,205	3,812,875
Total comprehensive income	-	-	-	65	-	320,759	320,824	-	13,915	334,739
Distribution for the financial year	-	-	-	-	-	-	-	4,661	-	4,661
Transactions with owners:										
Issuance of preference shares to non-controlling interests	-	-	-	-	-	-	-	-	11,862	11,862
Redemption of preference shares from non-controlling interests	-	-	-	-	-	-	-	-	(5,200)	(5,200)
Issuance of perpetual bond	-	-	-	-	-	-	-	248,000	-	248,000
Ordinary shares issued pursuant to: - warrants exercise	8	-	-	-	-	-	-	-	-	8
Expiry of warrants	-	-	-	-	(45,960)	45,960	-	-	-	-
Shares issued for acquisition of subsidiaries	-	1,004,593	-	-	-	-	-	-	-	1,004,593
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	237,701	237,701
Acquisition of non-controlling interest	-	-	-	-	-	(425)	(425)	-	66,562	66,137
Purchase of treasury shares	-	-	(26,725)	-	-	-	-	-	-	(26,725)
Dividends paid via: - distribution of treasury shares	-	-	38,171	-	-	(38,171)	(38,171)	-	-	-
- cash	-	-	-	-	-	(39,963)	(39,963)	-	-	(39,963)
Total transactions with owners	8	1,004,593	11,446	-	(45,960)	(32,599)	(78,559)	248,000	310,925	1,496,413
At 31 December 2019	2,044,322	1,004,593	(13,648)	(64)	-	1,626,779	1,626,715	252,661	734,045	5,648,688

STATEMENT OF CHANGES IN EQUITY - COMPANY

For the financial year ended 31 December 2020

	Attributable to owners of the parent					Non-distributable				
	Irredeemable convertible preference shares		Treasury shares		Warrants		Retained earnings		Total reserves	
	Share capital RM'000	RM'000	RM'000	RM'000	2009/2019	RM'000	RM'000	RM'000	RM'000	RM'000
	Note 28	Note 30	Note 28	Note 28	Note 29(b)	Note 29(c)				
At 1 January 2020	2,044,322	1,004,593	(13,648)	(13,648)	-	500,743	500,743	500,743	3,536,010	3,788,671
Total comprehensive loss	-	-	-	-	-	(46,658)	(46,658)	(46,658)	(46,658)	(46,658)
Distribution for the financial year	-	-	-	-	-	-	-	-	-	17,361
Distribution paid for the financial year	-	-	-	-	-	-	-	-	-	(17,409)
Transactions with owners:										
Purchase of treasury shares	-	-	(47,063)	(47,063)	-	-	-	-	(47,063)	(47,063)
Dividends paid via distribution of treasury shares	-	-	53,829	53,829	-	(53,829)	(53,829)	(53,829)	-	-
Total transactions with owners	-	-	6,766	6,766	-	(53,829)	(53,829)	(53,829)	(47,063)	(47,063)
At 31 December 2020	2,044,322	1,004,593	(6,882)	(6,882)	-	400,256	400,256	400,256	3,442,289	3,694,902
At 1 January 2019	2,044,314	-	(25,094)	(25,094)	45,960	596,396	642,356	642,356	2,661,576	2,661,576
Total comprehensive loss	-	-	-	-	-	(63,479)	(63,479)	(63,479)	(63,479)	(63,479)
Distribution for the financial year	-	-	-	-	-	-	-	-	-	-
Transactions with owners:										
Issuance of perpetual bond	-	-	-	-	-	-	-	-	248,000	248,000
Ordinary shares issued pursuant to:	8	-	-	-	-	-	-	-	8	8
- warrants exercise	-	-	-	-	(45,960)	45,960	-	-	-	-
Expiry of warrants	-	-	-	-	-	-	-	-	-	-
Shares issued for acquisition of subsidiaries	-	1,004,593	-	-	-	-	-	-	1,004,593	1,004,593
Purchase of treasury shares	-	-	(26,725)	(26,725)	-	-	-	-	(26,725)	(26,725)
Dividends paid via:										
- distribution of treasury shares	-	-	38,171	38,171	-	(38,171)	(38,171)	(38,171)	-	-
- cash	-	-	-	-	-	(39,963)	(39,963)	(39,963)	-	(39,963)
Total transactions with owners	8	1,004,593	11,446	11,446	(45,960)	(32,174)	(78,134)	937,913	248,000	1,185,913
At 31 December 2019	2,044,322	1,004,593	(13,648)	(13,648)	-	500,743	500,743	500,743	3,536,010	3,788,671

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

STATEMENTS OF CASH FLOWS - GROUP

For the financial year ended 31 December 2020

	2020 RM'000	2019 RM'000
Cash flows from operating activities		
Profit before tax	238,404	367,474
Adjustments for:		
Depreciation of property, plant and equipment	28,252	27,168
Depreciation of right-of-use assets	6,296	9,606
Amortisation of intangible assets	342	271
Amortisation of deferred license fees	(4,586)	(4,466)
Amortisation of security retainers accumulation fund	11	11
Finance income	(17,780)	(18,468)
Finance costs	164,287	75,850
Share of results of an associate	(6,046)	(819)
Share of results of joint ventures	1,168	(11,258)
Unrealised profit arising from transaction with a joint venture	98	7,741
Unrealised foreign exchange loss, net	27	2
Unrealised returns on security retainers accumulation fund	(98)	(216)
Gain on a bargain purchase	-	(321,346)
Dividend income	(33)	-
Reversal of impairment loss on trade and other receivables	(4,388)	(7,113)
(Gain)/loss on disposal of:		
- property, plant and equipment, net	(88)	(327)
- investment properties	-	3,255
- quoted shares	(4,823)	-
- assets classified as held for sale, net	1,538	(322)
Fair value (gain)/loss on:		
- investment properties, net	(138,128)	674
- quoted shares	9,162	-
- transferable corporate golf club memberships	(575)	-
Impairment loss on:		
- property, plant and equipment	33,650	50,767
- trade and other receivables	2,718	1,588
- intangible assets	-	25,643
Property, plant and equipment written off	77	4,976
Inventories written down	-	56,314
Bad debts written off	49	839
Adjustment on purchase price allocation	(450)	-
Property development costs written off	-	16,996
Operating profit before working capital changes	309,084	284,840
Changes in working capital:		
Trade and other receivables ¹	(74,364)	372,477
Contract cost assets	128,045	165,040
Contract assets	5,047	11,319
Inventories ²	(342,356)	(74,014)
Biological assets	(219)	-
Trade and other payables	(388,946)	(499,516)
Contract liabilities	(121,790)	(87,265)
Cash (used in)/generated from operations	(485,499)	172,881
Finance costs paid	(194,345)	(173,374)
Net taxes paid	(67,246)	(104,954)
Net cash used in operating activities	(747,090)	(105,447)

STATEMENTS OF CASH FLOWS - GROUP

For the financial year ended 31 December 2020 (cont’d.)

	2020 RM’000	2019 RM’000
Cash flows from investing activities		
Purchase of property, plant and equipment	(40,659)	(49,638)
Purchase of investment properties	(64,210)	(400,934)
Purchase of intangible assets	(879)	-
Acquisition of minority interest	-	(6,205)
Net cash inflow on acquisition of subsidiaries	32	14,877
Deposit paid on acquisition of a subsidiary	(7,021)	(48,400)
Proceeds from disposal of property, plant and equipment	454	575
Proceeds from disposal of investment properties	-	44,745
Proceeds from disposal of assets held for sale	74,162	59,422
Proceeds from disposal of quoted shares	72,393	-
Subscription of shares in joint ventures	(17,000)	(3,325)
Acquisition of quoted shares	(227,706)	-
Repayment from/(advances to) an associate	727	(37,177)
Repayment from/(advances to) a joint venture	2,391	(17,800)
Finance costs paid	(4,621)	(1,812)
Finance income received	17,780	18,468
Dividend income received	33	-
Net cash used in investing activities	(194,124)	(427,204)
Cash flows from financing activities		
Payment of borrowing costs	(20,161)	(10,497)
Repayment of principal portion of lease liabilities	(4,689)	(5,594)
Prepaid lease	(889)	-
Drawdown from borrowings	939,568	756,777
Repayment of borrowings	(1,276,017)	(610,738)
Repayment of hire purchase	-	(1,264)
Proceeds from issuance of warrants	-	8
Proceeds from issuance of perpetual bond	-	248,000
Proceeds from issuance of Islamic Medium Term Notes	1,207,000	-
(Placement)/uplift of debt service reserve, escrow accounts and deposits with licensed banks not available for use	(34,577)	85,675
Proceeds from issuance of shares to non-controlling interests	10,000	11,862
Redemption of preference shares from non-controlling interests	(1,600)	(5,200)
Distribution of surplus on liquidation of a subsidiary	(150)	-
Purchase of treasury shares	(47,063)	(26,725)
Perpetual bond distribution paid	(17,409)	-
Dividends paid to shareholders of the Company	-	(39,963)
Net cash generated from financing activities	754,013	402,341
Net decrease in cash and cash equivalents	(187,201)	(130,310)
Effects of foreign exchange rate changes	(45)	65
Cash and cash equivalents at beginning of financial year	591,338	721,583
Cash and cash equivalents at end of financial year (Note 26)	404,092	591,338

¹ Included in trade and other receivables are deposits paid for the acquisitions of land amounting to RM40,249,000 (2019: RM30,110,000).

² Included in inventories are cash consideration paid for the acquisitions of land amounting to RM270,990,000 (2019: RM nil).

STATEMENT OF CASH FLOWS - COMPANY

For the financial year ended 31 December 2020

	2020 RM’000	2019 RM’000
Cash flows from operating activities		
Loss before tax	(28,755)	(58,054)
Adjustments for:		
Depreciation of property, plant and equipment	470	548
Depreciation of right-of-use assets	1,102	1,671
Fair value gain on transferable corporate golf club memberships	(575)	-
Finance income	(68,418)	(31,978)
Finance costs	101,389	36,332
Impairment loss on investments in subsidiaries	16,895	62,916
Dividend income	(35,750)	(46,263)
Operating loss before working capital changes	(13,642)	(34,828)
Changes in working capital:		
Trade and other receivables	(1,392,171)	(898,167)
Trade and other payables	265,052	806,849
Cash used in operations	(1,140,761)	(126,146)
Finance costs paid	(49,405)	(23,254)
Net tax paid	(1,204)	(242)
Net cash used in operating activities	(1,191,370)	(149,642)
Cash flows from investing activities		
Purchase of property, plant and equipment	(45)	(964)
Dividend income	35,750	46,263
Finance income received	68,418	31,978
Subscription of additional shares in subsidiaries, net of expenses	(9,437)	(6,560)
Proceeds from capital reduction	-	13,800
Net cash generated from investing activities	94,686	84,517
Cash flows from financing activities		
Drawdown from borrowings	187,393	44,154
Repayment of borrowings	(238,746)	(143,140)
Repayment of hire purchase	-	(81)
Perpetual bond distribution paid	(17,409)	-
Proceeds from issuance of warrants	-	8
Proceeds from issuance of perpetual bond	-	248,000
Proceeds from issuance of Islamic Medium Term Notes	1,207,000	-
Placements of debt service reserve, escrow accounts and deposits with licensed banks not available for use	(20,753)	(1,019)
Purchase of treasury shares	(47,063)	(26,725)
Repayment of principal portion of lease liabilities	(1,110)	(1,774)
Prepaid lease	(29)	-
Dividends paid to shareholders of the Company	-	(39,963)
Net cash generated from financing activities	1,069,283	79,460
Net (decrease)/increase in cash and cash equivalents	(27,401)	14,335
Cash and cash equivalents at beginning of financial year	15,377	1,042
Cash and cash equivalents at end of financial year (Note 26)	(12,024)	15,377

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

1. CORPORATE INFORMATION

Tropicana Corporation Berhad (“the Company”) is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office and principal place of business of the Company is located at Unit 1301, Level 13, Tropicana Gardens Office Tower, No. 2A, Persiaran Surian, Tropicana Indah, 47810 Petaling Jaya, Selangor Darul Ehsan.

The principal activities of the Company are investment holding and provision of management services. The principal activities of the subsidiaries, associate and joint ventures are disclosed in Notes 18, 19 and 20 respectively. There have been no significant changes in the nature of these principal activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 19 May 2021.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

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

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

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

The accounting policies adopted by the Group and the Company are consistent with those of the previous financial year, except for the adoption of the following MFRSs and amendments to MFRSs:

Effective for financial periods beginning on or after 1 January 2020:

Amendments to MFRS 2	Share-based Payment
Amendments to MFRS 3	Business Combinations
Amendments to MFRS 3	Definition of a Business
Amendments to MFRS 4	Extension of the Temporary Exemption from Applying MFRS 9
Amendments to MFRS 6	Exploration for and Evaluation of Mineral Resources
Amendments to MFRS 9, MFRS 139 and MFRS 7	Interest Rate Benchmark Reform
Amendments to MFRS 14	Regulatory Deferral Accounts
Amendments to MFRS 101	Presentation of Financial Statements
Amendments to MFRS 101 and MFRS 108	Definition of Material
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendments to MFRS 134	Interim Financial Reporting
Amendments to MFRS 137	Provisions, Contingent Liabilities and Contingent Assets
Amendments to MFRS 138	Intangible Assets
Amendments to IC Interpretation 12	Service Concession Arrangements
Amendments to IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments
Amendments to IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine
Amendments to IC Interpretation 22	Foreign Currency Transactions and Advance Consideration
Amendments to IC Interpretation 132	Intangible Assets - Web Site Costs

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT’D.)

2.2 Changes in accounting policies arising from adoption of new MFRSs and Amendments to MFRSs (cont’d.)

Effective for financial periods beginning on or after 1 June 2020:

Amendments to MFRS 16	COVID-19 Related Rent Concessions
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The adoption of the above MFRSs and Amendments to MFRSs does not have any material impact on the financial statements of the Group and of the Company.

Amendments to MFRS 16 COVID-19 Related Rent Concessions

On 5 June 2020, the Malaysian Accounting Standards Board issued COVID-19 Related Rent Concessions (Amendments to MFRS 16 Leases). The amendments provide relief to lessees from applying MFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession in the same way it would account for the change under MFRS 16, if the change were not a lease modification.

The amendment applies to annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted. The Group has elected for early application of this practical expedient for all the leases for the financial year ended 31 December 2020. The Group has recognised the effect of the rent concession in profit or loss as a variable lease payment in relation to the change in lease payments that were not a lease modification. This amendment had no material impact on the financial statements of the Group and of the Company.

Agenda Decision on MFRS 123 Borrowing Costs relating to over time transfer of constructed goods

In March 2019, IFRS Interpretations Committee (“IFRIC”) published an agenda decision on borrowing costs confirming receivables, contract assets and inventories for which revenue is recognised over time are non-qualifying assets. On 20 March 2019, the Malaysian Accounting Standards Board (“MASB”) decided that an entity shall apply the change in accounting policy as a result of the IFRIC Agenda Decision to financial statements of annual periods beginning on or after 1 July 2020. The Group will adopt this change in accounting policy in its financial statements for the coming financial year ending 31 December 2021.

Based on initial assessment, the adherence of the IFRIC Agenda Decision would impact the results of Group for the current year and comparative period as finance cost can no longer be capitalised on the Group’s ongoing development projects for which revenue is recognised over time.

2.3 Standards issued but not yet effective

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

Effective for financial periods beginning on or after 1 January 2021:

Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16	Interest Rate Benchmark Reform - Phase 2
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

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

2.3 Standards issued but not yet effective (cont'd.)

Effective for financial periods beginning on or after 1 April 2021:

Amendments to MFRS 16 COVID-19 - Related Rent Concessions beyond 30 June 2021

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

Amendments to MFRS 1 First-time Adoption of MFRS-Subsidiary as a First-time Adopter
Amendments to MFRS 3 Reference to the Conceptual Framework
Amendments to MFRS 9 Financial Instruments - Fees in the '10 per cent' Test for Derecognition of Financial Liabilities
Amendments to MFRS 16 Lease Incentives
Amendments to MFRS 116 Property, Plant and Equipment - Proceeds before Intended Use
Amendments to MFRS 137 Onerous Contracts - Cost of Fulfilling a Contract
Amendments to MFRS 141 Agriculture - Taxation in Fair Value Measurements

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

MFRS 17 Insurance Contracts
Amendments to MFRS 17 Insurance Contracts
Amendments to MFRS 101 Classification of Liabilities as Current or Non-current

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

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

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at reporting date. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- (i) power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- (ii) exposure, or rights, to variable returns from its investment with the investee; and
- (iii) the ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (i) the contractual arrangement with the other vote holders of the investee;
- (ii) rights arising from other contractual arrangements; and
- (iii) the Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

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

2.4 Basis of consolidation (cont'd.)

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group transactions, balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. When the Group loses control over a subsidiary, the Group would derecognise all assets (including goodwill), liabilities and non-controlling interests at their carrying amount of the subsidiary and to recognise the fair value of the consideration received.

The gain or loss on disposal is calculated as the difference between:

- (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest; and
- (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests.

2.5 Business combinations and goodwill

Business combinations are accounted for using the acquisition method of accounting. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at fair value at the acquisition date and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether to measure non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its fair value at the acquisition date and any resulting gain or loss is recognised in profit or loss. It is then considered in the determination of goodwill.

Any contingent consideration to be transferred by the acquirer will be 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: Recognition and Measurement, is measured at fair value with changes in fair value recognised in either profit or loss or as a change to OCI. If the contingent consideration is not within scope of MFRS 139, it is measured in accordance with the appropriate MFRSs. Contingent consideration that is classified as equity is not re-measured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

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

2.6 Financial instruments - initial recognition and subsequent measurement

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

(a) Financial assets

Initial recognition and measurement

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

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

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

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

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

Subsequent measurement

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

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

Financial assets at amortised cost (debt instruments)

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

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

2.6 Financial instruments - initial recognition and subsequent measurement (cont'd.)

(a) Financial assets (cont'd.)

Subsequent measurement (cont'd.)

Financial assets at amortised cost (debt instruments) (cont'd.)

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

The Group’s and the Company’s financial assets at amortised cost are disclosed in Note 38.

Financial assets at fair value through profit or loss

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

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

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

Derecognition

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

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

2.6 Financial instruments - initial recognition and subsequent measurement (cont'd.)

(a) Financial assets (cont'd.)

Impairment of financial assets

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

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects 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 and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has performed its assessment based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. In making this assessment, the Group also takes into consideration that it would maintain its name as the registered owner of the properties until full settlement is made by the purchasers or the purchasers' end-financiers.

(b) Financial liabilities

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

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

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

Gains or losses on liabilities held for trading are recognised in the statement of comprehensive income.

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

Loans and borrowings

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

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

2.6 Financial instruments - initial recognition and subsequent measurement (cont'd.)

(b) Financial liabilities (cont'd.)

Loans and borrowings (cont'd.)

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

Derecognition

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

(c) Offsetting of financial instruments

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

2.7 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour, any other costs directly attributable to bringing the assets to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located, for which the Group and the Company is obligated to incur, if applicable.

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

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

Construction in-progress are not depreciated as these assets are not yet available for use.

A bearer plant is a living plant that is used in the production or supply of agricultural produce, is expected to bear produce for more than one period and has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales. The bearer plants of the Group are fish, fruits, vegetables and poultry. Immature bearer plants are measured at accumulated costs of planting of bearer plants, similar to accounting for a self-constructed item of property, plant and equipment. Bearer plants are classified as immature until it is available for harvest. At that point, bearer plants are measured at amortised cost and depreciated over their useful life.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

- Freehold buildings: 20 to 50 years
- Leasehold buildings: 20 to 50 years
- Golf course: 99 years
- Plant and machineries: 5 to 20 years
- Office furniture, fittings and equipment: 4 to 10 years
- Motor vehicles: 5 years

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

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

2.7 Property, plant and equipment (cont'd.)

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss when the asset is derecognised.

2.8 Inventories

(a) Land held for property development

Land held for property development consists of land where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is carried at lower of cost and net realisable value.

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

(b) Property development costs

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

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

(c) Completed development properties

Completed development properties represent completed residential properties and commercial properties.

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

(d) Consumable stores and spares

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

The cost of raw materials comprises all costs of purchase plus the cost 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 the estimated costs of completion and the estimated costs necessary to make the sale.

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

2.9 Investment properties

Investment properties are properties which are held either to earn rentals or for capital appreciation or for both and are not substantially occupied by the Group. Investment properties also include properties that are being constructed or developed for future use as investment properties.

Investment properties are initially measured at cost, including related transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect. Fair values are determined based on an annual evaluation performed by an accredited external, independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the profit or loss in the period of derecognition.

If the Group determines that the fair value of an investment property under construction is not reliably determinable but expects the fair value of the property to be reliably determinable when construction is completed, the Group shall measure that investment property under construction at cost until either its fair value becomes reliably determinable or construction is completed (whichever is earlier). Once the Group is able to measure reliably the fair value of an investment property under construction that has previously been measured at cost, the Group shall measure that property at its fair value.

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.

A property interest under an operating lease is classified and accounted for as an investment property on a property-by-property basis when the Group holds it to earn rentals or for capital appreciation or both. Any such property interest under an operating lease classified as an investment property is carried at fair value.

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.

2.10 Impairment of non-financial assets

The carrying amount of assets, except for financial assets (excluding investments in subsidiaries, associate and joint ventures), inventories, deferred tax assets, investment properties measured at fair value and non-current assets (or disposal groups) held for sale, are reviewed at the reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs to sell and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

The fair value less costs to sell calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. In determining fair value less costs to sell, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

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

2.10 Impairment of non-financial assets (cont'd.)

The value in use calculation is based on a discounted cash flow ("DCF") model. 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. The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised by the Group.

The impairment loss is recognised in profit or loss immediately except for a property previously revalued when the revaluation was taken to OCI up to the amount of any previous revaluation.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's 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, had no impairment loss been recognised for the 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 surplus.

The following asset has specific characteristics for impairment testing:

Goodwill that has an indefinite useful life are tested annually for impairment or more frequently if events or changes in circumstances indicate that the goodwill might be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment loss on goodwill is not reversed in subsequent periods.

2.11 Contract assets and contract liabilities

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

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

2.12 Contract cost assets

(a) Incremental costs of obtaining a contract

The incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer which they would not have incurred if the contract had not been obtained. The incremental costs of obtaining a contract with a customer are recognised as contract cost assets when the Group expects those costs to be recoverable.

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

2.12 Contract cost assets (cont'd.)

(b) Costs to fulfill a contract

The costs incurred in fulfilling a contract with a customer who are not within the scope of other MFRSs, such as MFRS 102: Inventories, MFRS 116: Property, Plant and Equipment and MFRS 138: Intangible Assets, are recognised as contract cost assets when all of the following criteria are met:

- the costs relate directly to a contract or to an anticipated contract that can be specifically identified;
- the costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
- the costs are expected to be recovered.

Contract cost assets are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. The amortisation shall be updated subsequently to reflect any significant change to the expected timing of transfer to the customer of the goods or services to which the asset relates in accordance with MFRS 108: Accounting Policies, Changes in Accounting Estimates and Errors.

Impairment loss is recognised in profit or loss to the extent that the carrying amount of the contract cost exceeds:

- the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates; less
- the costs that relate directly to providing those goods or services and that have not been recognised as expenses.

Before an impairment loss is recognised for contract costs, the Group shall recognise any impairment loss for assets related to the contract that are recognised in accordance with other MFRSs, such as MFRS 102, MFRS 116 and MFRS 138. The Group shall include the resulting carrying amount of the contract costs assets in the carrying amount of the cash-generating unit to which it belongs for the purpose of applying MFRS 136: Impairment of Assets to that cash-generating unit.

An impairment loss is reversed when the impairment conditions no longer exist or have improved. Such reversal is recognised in profit or loss.

2.13 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category that is consistent with the function of the intangible assets.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

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

2.13 Intangible assets (cont'd.)

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss.

2.14 Cash and cash equivalents

Cash and bank balances comprise cash at banks, cash in hand and short-term deposits with a maturity of three months or less that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

For the purpose of statements of cash flows, cash and cash equivalents, if any, consist of cash and bank balances, net of outstanding bank overdrafts as they are considered an integral part of the Group's and of the Company's cash management.

2.15 Share capital and Sukuk Musharakah ("Perpetual bond")

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

Ordinary shares are recorded at the nominal value. Interim dividends to shareholders are recognised in equity in the period in which they are declared. Final dividends are recognised upon approval of shareholders in a general meeting.

The transaction costs of an equity transaction are accounted for as a deduction from equity. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction, which would otherwise have been avoided.

The Group measures a liability to distribute non cash assets as a dividend to the owners of the parent at fair value of the assets to be distributed. The carrying amount of the dividend is remeasured at the end of each reporting period and at the settlement date, with any changes recognised directly in equity as adjustments to the amount of the distribution. On settlement of the transaction, the Group recognises the difference, if any, between the carrying amounts of the assets distributed and the carrying amount of the liability in profit or loss.

When issued shares of the Company are repurchased, the consideration paid, including any attributable transaction costs, is presented as a change in equity. Repurchased shares that have not been cancelled are classified as treasury shares and presented as a deduction from equity. No gain or loss is recognised in profit or loss on the sale, reissuance or cancellation of treasury shares. When treasury shares are reissued by resale, the difference between the sales consideration and the carrying amount of the treasury shares is shown as a movement in equity.

Perpetual bond is classified as equity when there is no contractual obligation to deliver cash or other financial assets to another person or entity. Perpetual bond holders' entitlement is accounted for as an appropriation in equity and the distribution is recognised in the period in which it is paid.

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

2.16 Irredeemable convertible preference shares ("ICPS")

ICPS is a financial instruments that contains both a liability and an equity component that can be converted to share capital at the option of the holder, when the number of shares to be issued does not vary with changes in their fair value.

The proceeds are first allocated to the liability component, determined based on the fair value of a similar liability that does not have a conversion feature or similar associated equity 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 the ICPS is measured at amortised cost using the effective interest method. The equity component of the ICPS is not remeasured subsequent to initial recognition.

Interest and losses and gains relating to the ICPS is recognised in profit or loss. On conversion, the ICPS is reclassified to equity, no gain or loss is recognised on conversion.

2.17 Biological assets

Biological assets are measured on initial recognition and at the end of each reporting period at fair value less costs to sell. Changes in fair value are recognised in profit or loss as part of cost of sales. Costs related to growing the biological assets and harvesting the biological assets are expensed as incurred.

2.18 Subsidiaries

A subsidiary is an entity over which the Group has all the following:

- (i) power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- (ii) exposure, or rights, to variable returns from its investment with the investee; and
- (iii) the ability to use its power over the investee to affect its returns.

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

2.19 Investments in an associate and joint ventures

An associate is an entity in which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. 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 venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

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

2.19 Investments in an associate and joint ventures (cont'd.)

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The Group’s investments in its associate and joint ventures are accounted for using the equity method.

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group’s share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The statement of comprehensive income reflects the Group’s share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group’s OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture. The Group recognises the excess of the unrealised profit over the carrying amount of the associate as deferred income.

The aggregate of the Group’s share of profit or loss of an associate and joint venture is shown on the face of the statement of comprehensive income outside operating profit and represents profit or loss after tax and non-controlling interest in the subsidiaries of the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investments in its associate or joint ventures. At each reporting date, the Group determines whether there is objective evidence that the investments in the associate or joint ventures are impaired. If there is such evidence, the Group calculates the amount of impairment loss as the difference between the recoverable amount of the associate or joint venture and its carrying value, then recognises the loss as ‘Share of results of an associate and joint venture’ in the Group’s statement of comprehensive income.

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 an associate and joint ventures are accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

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

2.20 Leases

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

(a) As lessee

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

(i) Right-of-use assets

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

- Leasehold land: leasehold period between 92 years to 875 years
- Premises: 2 years to 30 years
- Motor vehicles: 5 years
- Plant and machineries: 7 years
- Office equipment: 5 years

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

(ii) Lease liabilities

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

In calculating the present value of lease payments, the Group and the Company use their incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. MFRS 16 requires certain adjustments to be expensed, while others are added to the cost of the related right-of-use asset.

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

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

2.20 Leases (cont'd.)

(b) As lessor

Leases in which the Group and the Company do not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term. Lease income is recognised over the lease term on a straight-line basis. Contingent rents are recognised as revenue in the period in which they are earned.

2.21 Borrowing costs

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

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

2.22 Taxes

Income taxes include all domestic and foreign taxes on taxable profit. Income taxes also include other taxes, such as real property gain taxes payable on disposal of properties, if any.

Taxation in profit or loss comprises current and deferred tax.

(a) Income tax - current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

(b) Income tax - deferred tax

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

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

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associate and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

2.22 Taxes (cont'd.)

(b) Income tax - deferred tax (cont'd.)

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associate and joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

Deferred tax would be recognised as income or expense and included in profit or loss for the period unless the tax relates to items that are credited or charged in the same or a different period, directly to equity, in which the deferred tax will be charged or credited directly to equity.

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

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction to goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

(C) Sale and Service Tax ("SST")

When SST is incurred, SST is recognised as part of the expense or cost of acquisition of the asset as SST is not recoverable.

Whereas, revenue is recognised net of the amount of SST billed as it is payable to the taxation authority. SST payable to the taxation authority is included as part of payables in the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

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

2.23 Provisions

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

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

2.24 Sinking fund

Sinking fund of the Group is established for the purpose of covering periodic major repairs or capital replacements costs in the golf and country resort of the Group. A fraction of 10% of monthly subscription fees received from the members during the financial year are credited to this account.

The amount credited into the sinking fund account during the financial year is subsequently paid to a fund which is kept in a separate trust account and administered by a Trustee.

Monies in the sinking fund are invested by the Trustee. Any income arising out of the investment is accrued to the fund.

2.25 Deferred license fees

License fees are received upon admission of new members to the golf and country resort of the Group, and are recognised in the profit or loss over the remaining terms of the membership licenses, which would be expiring on 9 October 2051.

2.26 Employee benefits

(a) Short term benefits

Wages, salaries, other monetary and non-monetary benefits are measured on an undiscounted basis and are accrued in the 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 as an expense when employees render services that increase their entitlement to future compensated absences. Short term non accumulating compensated absences such as sick leave are recognised when absences occur and they lapse if the current period's entitlement is not used in full and do not entitle employees to a cash payment for unused entitlement on leaving the Group and the Company.

Bonuses are recognised as an expense when there is a present, legal or constructive obligation to make such payments, as a result of past events and when a reliable estimate can be made of the amount of the obligation.

(b) Defined contribution plan

The Group and the Company participate in the national pension schemes as defined by the laws of the countries in which it has operations. The Malaysian companies in the Group make contributions to the Employees Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

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

2.27 Foreign currencies

The individual financial statements of each entity within the Group are measured using the currency of the primary economic environment in which the entity operates. The financial statements of the Group are presented in Ringgit Malaysia, which is also the Company's functional currency.

(a) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Any goodwill arising from the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising from the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

(b) Group companies

On consolidation, the assets and liabilities of foreign operations are translated into Ringgit Malaysia at the rate of exchange prevailing at the reporting date and their profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

2.28 Revenue

(a) Revenue from property development

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

The revenue from property development is measured at the fixed transaction price agreed under the sale and purchase agreement.

Revenue from property development is recognised as and when the control of the asset is transferred to the customer and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

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

2.28 Revenue (cont'd.)

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

This is generally established when:

- the promised properties are specifically identified by its plot, lot and parcel number and its attributes (such as its size and location) in the sale and purchase agreements and the attached layout plan and the purchasers could enforce its rights to the promised properties if the Group seeks to sell the unit to another purchaser. The contractual restriction on the Group's ability to direct the promised residential property for another use is substantive and the promised properties sold to the purchasers do not have an alternative use to the Group; and
- the Group has the right to payment for performance completed to date and is entitled to continue to transfer to the customer the development units promised and has the rights to complete the construction of the properties and enforce its rights to full payment.

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

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

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

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

(b) Revenue from construction contracts

Under such contracts, the Group is engaged in professional landscape construction and management services. These contracts may include multiple promises to the customers and therefore accounted for as separate performance obligations. The fair value of the revenue, which is based on fixed price under the agreement will be allocated based on relative stand-alone selling price of the considerations of each of the separate performance obligations.

The Group recognises construction revenue over time as the project being constructed has no alternative use to the Group and it has an enforceable right to the payment for performance completed to date. The stage of completion is measured using the input method, which is based on the total actual construction cost incurred to date as compared to the total budgeted costs for the respective construction projects.

(c) Sale of goods

Revenue from sale of goods such as sale of completed properties, land and building materials is measured at fair value of the consideration receivable and is recognised upon the transfer of significant control of the goods to the customer.

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

2.28 Revenue (cont'd.)

(d) Recreation and resort operations

Revenue from recreational club operations including subscription fees but excluding club membership fees are recognised when the services are rendered. The payment of the transaction price is due immediately upon delivery of the services. Recreational club membership fees which are received upfront are recognised on a straight-line basis over the tenure of the respective memberships.

(e) Rental of hotel rooms

Revenue from rental of hotel rooms, sale of food and beverages and other related income are recognised upon provision of the services.

(f) Dividend income

Dividend income is recognised when the right to receive payment is established.

(g) Interest income

Interest income is recognised by using the EIR method.

(h) 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.

(i) Management and maintenance fees

Management and maintenance fees are recognised when services are rendered.

(j) Private school operations

Tuition fees are recognised on an accrual basis whereas enrolment, registration, resource and other fees are recognised on a receipt basis.

(k) Revenue from electricity

Revenue for electricity supply activities includes an assessment of electricity supplied to customers between the date of the last meter reading and the financial year end of the Group (unread and unbilled).

2.29 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are disclosed in Note 43, including the factors used to identify the reportable segments and the measurement basis of segment information.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

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

2.30 Contingencies

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

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

2.31 Fair value measurement

The Group and the Company measure financial instruments such as derivatives and non-financial assets such as investment properties, at fair value at each reporting date. The fair values of financial instruments measured at amortised cost are disclosed in Note 39.

The fair value of an asset or a liability, is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement 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.

The Group and the Company measure the fair value of an asset or a liability by taking into account the characteristics of the asset or liability if market participants would take these characteristics into account when pricing the asset or liability. The Group and the Company have considered the following characteristics when determining fair value:

- (a) The condition and location of the assets; and
- (b) Restrictions, if any, on the sale or use of the assets.

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

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

The fair value of a financial or non-financial liability or an entity’s own equity instrument assumes that:

- (a) A liability would remain outstanding and the market participant transferee would be required to fulfil the obligation. The liability would not be settled with the counterparty or otherwise extinguished on the measurement date; and
- (b) An entity’s own equity instrument would remain outstanding and the market participant transferee would take on the rights and responsibilities associated with the instrument. The instrument would not be cancelled or otherwise extinguished on the measurement date.

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

- (a) Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities
- (b) Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (c) Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

2.31 Fair value measurement (cont'd.)

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

2.32 Earnings per share

The Group presents basic and diluted earnings per share (“**EPS**”) data for its ordinary shares. Basic EPS for the financial year is calculated by dividing profit or loss attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year. Diluted EPS for the financial year is calculated by adjusting profit or loss attributable to owners of the parent by the weighted average number of ordinary shares and ICPS outstanding for the effects of all dilutive potential ordinary shares.

2.33 Current and non-current classification

The Group and the Company present their assets and liabilities in the statements of financial position based on current/non-current classification.

An asset is current when:

- It is expected to be realised or intended to be sold or consumed within the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled within the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. All other liabilities are classified as non-current.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group’s and of the Company’s financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, 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 next financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D.)

3.1 Key sources of estimation uncertainty

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

(a) Property development

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

Significant judgement is required in determining the measure of progress, the extent of the property development costs incurred, the estimated total property development revenue and costs, as well as the recoverability of the property development costs. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists.

The carrying amounts of the Groups’ land held for property development and property development cost are disclosed in Note 16.

(b) 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 losses and capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profit together with future tax planning strategies. The total unrecognised tax losses and unutilised capital allowances of the Group are disclosed in Note 12.

(c) Provision of expected credit loss of trade receivables, other receivables and contract assets

The Group and the Company assess the credit risk at each reporting date, whether there have been significant increases in credit risk since initial recognition on an individual basis. To determine whether there is a significant increase in credit risks, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtors and default or significant delay in payments.

Where there is a significant increase in credit risk, the Group and the Company determine the lifetime expected credit loss by considering the loss given default and the probability of default assigned to each counterparty customer. The financial assets are written off either partially or full when there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write-offs.

The carrying amounts of the trade and other receivables and contract assets are disclosed in Notes 23 and 24 respectively.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D.)

3.1 Key sources of estimation uncertainty (cont'd.)

(d) Impairment of investments in subsidiaries

The Company conducts impairment reviews of investments in subsidiaries whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Determining whether these investments are impaired requires an estimation of their recoverable amounts which is the higher of the asset’s fair value less costs to sell and present value of the estimated future cash flows expected to be derived from these assets including the proceeds from its disposal. Any subsequent increase in recoverable amount is recognised in profit or loss.

During the financial year, after reviewing the business environment as well as the Company’s strategies, past and future performance of its investments in subsidiaries, management concluded that there were impairment losses in the investments in subsidiaries amounting to RM16,895,000 as disclosed in Note 18.

(e) Fair valuation of investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in the profit or loss. Significant judgement is required in determining the fair value which may be derived based on different valuation methods. In making the judgement, the Group engaged independent valuation specialists to determine the fair values as disclosed in Note 17.

(f) Income tax

Significant judgement and estimates are used in arriving at taxable profits for the year and for prior years, including assessing the deductibility of expense items for tax purposes. Management are guided by tax laws/cases on such instances. Management believes that all deductions claimed, in arriving at taxable profits for current and prior years, are appropriate and justifiable.

The Group has significant open tax assessments with Inland Revenue Board (“IRB”) at the reporting date. As management believes that the tax positions are supportable, the Group has not recognised any additional tax liability on these uncertain tax positions. The maximum exposure of these uncertain tax positions, not recognised in these financial statements is amounting to RM14,708,720.

3.2 Judgement made in applying accounting policies

In the process of applying the Group’s and the Company’s accounting policies, management has made the following judgements, apart from there involving estimations, which 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 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 so significant that a property does not qualify as investment property.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

4. REVENUE

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Revenue from contracts with customers	1,025,197	1,101,163	20,529	25,934
Revenue from other sources:				
- Rental and related income from investment properties	31,442	32,013	-	-
- Dividend income from subsidiaries (Note 37(a))	-	-	35,750	46,263
- Others	5,932	2,667	-	-
	1,062,571	1,135,843	56,279	72,197

Disaggregation of the revenue from contracts with customers:

Major goods and services

Sale of development properties	488,533	677,713	-	-
Sale of land	400,901	213,592	-	-
Sale of building materials	8,172	30,837	-	-
Revenue from recreation and resort operations	37,985	49,603	-	-
Property management and maintenance fees	5,939	9,184	-	-
Revenue from private school operations	47,181	48,381	-	-
Revenue from landscape services	4,349	7,259	-	-
Revenue from hotel operations	25,847	64,594	-	-
Revenue from electricity	6,290	-	-	-
Management fees from subsidiaries (Note 37(a))	-	-	20,529	25,934
Revenue from contracts with customers	1,025,197	1,101,163	20,529	25,934

Geographical market

Malaysia	1,025,197	1,101,163	20,529	25,934
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Timing of revenue recognition

- at a point in time	528,336	459,382	20,529	25,934
- over time	496,861	641,781	-	-
	1,025,197	1,101,163	20,529	25,934

Revenue from contracts with customers of the Group includes RM174,806,000 (2019: RM19,703,000) that was included in contract liabilities at the beginning of the financial year.

5. COST OF SALES

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Cost of development properties:				
- current year	298,408	417,018	-	-
- overprovision of property development costs in prior years	(12,681)	(24,690)	-	-
Cost of land sold (Note 16(a) and Note 16(c))	162,395	71,474	-	-
Cost of inventories sold	(35,293)	46,775	-	-
Cost of building materials sold	7,084	26,740	-	-
Cost of services rendered:				
- recreation and resort operations	14,505	19,925	-	-
- property management and maintenance fees	7,878	8,805	-	-
- investment properties	11,490	7,216	-	-
- landscape services	2,482	5,098	-	-
- private school operations	24,829	25,108	-	-
- hotel operations	18,298	35,318	-	-
- management fees	-	-	19,159	24,276
- energy cost	12,405	-	-	-
Others	1,826	621	-	-
	513,626	639,408	19,159	24,276

6. OTHER INCOME

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Gain on a bargain purchase (Note 18(c))	-	321,346	-	-
Reversal of impairment loss on trade and other receivables	4,388	7,113	-	-
Management fees	13,300	15,658	-	-
Rental income	9,533	5,254	712	1,236
Late payment interest	1,369	3,296	-	-
Gain on disposal of:				
- property, plant and equipment, net	88	327	-	-
- assets classified as held for sale	-	860	-	-
Fair value gain on investment properties (Note 17)	138,128	-	-	-
Fair value gain on transferable corporate golf club memberships	575	-	575	-
Forfeiture of deposits	1,378	3,179	-	-
Bad debts recovered	-	135	-	-
Foreign exchange gain:				
- unrealised	-	3	-	-
- realised	6	-	-	-
Others	3,372	14,572	163	143
	172,137	371,743	1,450	1,379

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

7. FINANCE INCOME

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Finance income from:				
- deposits with licensed banks	10,259	9,059	907	1,144
- Housing Development Accounts	3,165	8,299	-	-
- amounts due from subsidiaries (Note 37(a))	-	-	67,511	30,834
- others	4,356	1,110	-	-
	17,780	18,468	68,418	31,978

8. FINANCE COSTS

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Finance costs on:				
- amounts due to subsidiaries (Note 37(a))	-	-	36,152	12,236
- borrowings	137,449	65,426	49,405	23,254
- unwinding of discount on trade and other payables	389	9	-	-
- amortisation of borrowing costs (Note 32)	10,916	10,055	655	726
- accretion of interest on ICPS (Note 30)	15,118	-	15,118	-
- accretion of lease liabilities interest (Note 35(b))	415	360	59	116
	164,287	75,850	101,389	36,332

9. PROFIT/(LOSS) BEFORE TAX

The following amounts have been included in arriving at profit/(loss) before tax:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Employee benefits expenses (Note 10)	173,503	167,897	18,402	23,513
Auditors' remuneration:				
- audit fee	1,332	1,212	383	335
- non-audit fee	24	23	8	7
Depreciation of property, plant and equipment (Note 15)	28,252	27,168	470	548
Depreciation of right-of-use assets (Note 35)	6,296	9,606	1,102	1,671
Amortisation of intangible assets (Note 22)	342	271	-	-
Amortisation of deferred license fees (Note 34(a))	(4,586)	(4,466)	-	-
Amortisation of security retainers accumulation fund (Note 23(b)(i))	11	11	-	-
Unrealised returns on security retainers accumulation fund (Note 23(b)(i))	(98)	(216)	-	-
Net fair value loss on investment properties (Note 17)	-	674	-	-
Fair value loss on quoted shares	9,162	-	-	-
Impairment loss on:				
- property, plant and equipment (Note 15)	33,650	50,767	-	-
- trade and other receivables	2,718	1,588	-	-
- investments in subsidiaries (Note 18)	-	-	16,895	62,916
- intangible assets (Note 22)	-	25,643	-	-
Property, plant and equipment written off	77	4,976	-	-
Loss on disposal of:				
- investment properties	-	3,255	-	-
- assets classified as held for sale	1,538	538	-	-
Loss on foreign exchange:				
- realised	89	131	-	-
- unrealised	27	5	-	-
Inventories written down	-	56,314	-	-
Bad debts written off	49	839	-	-
Direct operating expenses arising from investment properties	11,490	7,216	-	-
Management fees charged by a subsidiary (Note 37(a))	-	-	7,898	6,398
Property development costs written off (Note 16(b))	-	16,996	-	-
Liquidated ascertained damages to purchasers	-	3,401	-	-
Liquidated ascertained damages from contractors	-	(12,860)	-	-
Expenses relating to short-term leases	319	515	-	-
Expenses relating to low-value assets	240	287	-	-

Included in auditors' remuneration of the Company amounting to RM245,000 (2019: RM197,300) is borne and paid by the Company on behalf of its subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

10. EMPLOYEE BENEFITS EXPENSES

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Salaries, bonus and other emoluments	125,821	119,962	14,216	17,587
Contributions to defined contribution plan	13,050	12,701	945	1,569
Other benefits	34,632	35,234	3,241	4,357
Total employee benefits expenses (Note 9)	173,503	167,897	18,402	23,513
Less: Amount included in cost of sales	(42,105)	(37,193)	(17,616)	(22,146)
Included in administrative expenses	131,398	130,704	786	1,367

Included in employee benefits expenses of the Group and of the Company are directors’ remuneration amounting to RM35,435,000 (2019: RM32,375,000) and RM11,615,000 (2019: RM13,551,000) respectively as disclosed in Note 11.

11. DIRECTORS' REMUNERATION

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Directors of the Company				
Executive:				
Salaries, bonus and other emoluments	16,883	16,067	9,915	11,267
Contributions to defined contribution plan	648	917	530	917
	17,531	16,984	10,445	12,184
Non-executive:				
Fees	1,092	1,285	1,092	1,285
Other emoluments	78	82	78	82
	1,170	1,367	1,170	1,367
Total directors’ remuneration of the Company	18,701	18,351	11,615	13,551
Directors of the subsidiaries				
Executive:				
Salaries, bonus and other emoluments	14,563	12,087	-	-
Contributions to defined contribution plan	1,676	1,393	-	-
	16,239	13,480	-	-
Non-executive:				
Fees	357	406	-	-
Other emoluments	138	138	-	-
	495	544	-	-
Total directors’ remuneration of the subsidiaries	16,734	14,024	-	-
Total directors’ remuneration (Notes 10 and 37(e))	35,435	32,375	11,615	13,551

11. DIRECTORS' REMUNERATION (CONT'D.)

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Total executive directors’ remuneration	33,770	30,464	10,445	12,184
Total non-executive directors’ remuneration	1,665	1,911	1,170	1,367
Total directors’ remuneration	35,435	32,375	11,615	13,551

The aggregate remuneration of directors of the Company are analysed into appropriate bands as follows:

	Group Number of directors		Company Number of directors	
	2020	2019	2020	2019
Executive directors:				
RM150,001 - RM200,000	-	-	1	-
RM950,001 - RM1,050,000	1	-	1	-
RM1,050,001 - RM1,100,000	-	-	-	-
RM1,100,001 - RM1,150,000	-	-	-	-
RM1,150,001 - RM1,200,000	-	-	-	-
RM1,200,001 - RM1,600,000	1	1	-	1
RM1,600,001 - RM1,650,000	-	-	-	-
RM1,650,001 - RM2,400,000	2	-	2	-
RM2,400,001 - RM2,450,000	-	-	-	-
RM2,450,001 - RM2,500,000	-	-	-	-
RM2,500,001 - RM2,550,000	-	-	-	-
RM2,550,001 - RM2,750,000	-	1	-	1
RM2,750,001 - RM2,800,000	-	-	-	-
RM2,800,001 - RM3,750,000	-	1	-	1
RM3,750,001 - RM3,800,000	-	-	-	-
RM3,800,001 - RM4,600,000	-	-	-	1
RM4,600,001 - RM9,400,000	-	1	1	-
RM9,400,001 - RM11,700,000	1	-	-	-
Non-executive directors:				
RM5,000 - RM10,000	1	-	1	-
RM10,001 - RM50,000	1	-	1	-
RM50,001 - RM100,000	-	-	-	-
RM100,001 - RM150,000	3	1	3	1
RM150,001 - RM200,000	3	3	3	3
RM200,001 - RM250,000	1	2	1	2
RM250,001 - RM300,000	-	1	-	1

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

12. INCOME TAX EXPENSE

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Current income tax:				
Malaysian income tax	59,814	57,279	426	1,261
Under/(over)provision in prior years	3,182	(2,646)	2	(457)
	62,996	54,633	428	804
Real property gain tax:				
Current financial year	1,543	2,290	-	-
Overprovision in prior years	-	(398)	-	-
	1,543	1,892	-	-
Deferred tax (Note 31):				
Origination and reversal of temporary differences	28,731	4,662	463	(49)
(Over)/underprovision in prior years	(1,423)	(33,048)	(349)	9
	27,308	(28,386)	114	(40)
Total income tax expense	91,847	28,139	542	764

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2019: 24%) of the estimated assessable profit for the financial year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

12. INCOME TAX EXPENSE (CONT'D.)

The reconciliation between tax expense and the product of accounting profit/(loss) multiplied by the applicable corporate tax rate are as follows:

	2020 RM'000	2019 RM'000
Group		
Profit before tax	238,404	367,474
Taxation at Malaysian statutory tax rate of 24% (2019: 24%)	57,217	88,194
Tax incentive and income not subject to tax	(450)	(75,900)
Expenses not deductible for tax purposes	53,597	52,963
Effect on income taxed under real property gain tax	(17,923)	210
Deferred tax assets not recognised	1,988	15,072
Utilisation of previously unrecognised tax losses and unabsorbed capital allowances	(3,170)	(13,409)
Share of results of joint ventures	280	(2,702)
Share of results of an associate	(1,451)	(197)
Overprovision of deferred tax in prior years	(1,423)	(33,048)
Under/(over)provision of tax expense in prior years	3,182	(2,646)
Overprovision of real property gain tax in prior years	-	(398)
Income tax expense	91,847	28,139
Company		
Loss before tax	(28,755)	(58,054)
Taxation at Malaysian statutory tax rate of 24% (2019: 24%)	(6,901)	(13,933)
Income not subject to tax	(8,910)	(11,867)
Expenses not deductible for tax purposes	16,700	27,012
(Over)/underprovision of deferred tax in prior years	(349)	9
Under/(over)provision of tax expense in prior years	2	(457)
Income tax expense	542	764

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

12. INCOME TAX EXPENSE (CONT'D.)

Tax savings during the financial year arising from:

	Group	
	2020	2019
	RM'000	RM'000
Utilisation of previously unused tax losses and unabsorbed capital allowances	13,208	55,871

The following are deferred tax assets which have not been recognised by the Group as they have arisen in companies that have a recent history of losses or in companies where future taxable profit may be insufficient to trigger the utilisation of these items.

	Group	
	2020	2019
	RM'000	RM'000
Unabsorbed capital allowances	74,622	50,460
Unused tax losses	29,084	34,331
Other deductible temporary differences	20,915	44,757
	124,621	129,548

In accordance with the provision in Finance Act 2018, the unused tax losses are available for utilisation in the next seven years, for which, any excess at the end of the seventh year, will be disregarded. Deferred tax assets have not been recognised in respect of unabsorbed capital allowances and unused tax losses because it is probable that the future taxable profit of certain loss-making subsidiaries would not be available against which the tax losses and unabsorbed capital allowances can be utilised.

13. EARNINGS PER SHARE

Basic

Basic earnings per share is calculated by dividing net profit for the financial year, attributable to owners of the parent, by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2020	2019
	RM'000	RM'000
Net profit attributable to owners of the parent	91,307	320,759

	Number of shares ('000)	
	2020	2019
Weighted average number of ordinary shares for basic earnings per share computation	1,433,880	1,439,689

Basic earnings per share (sen)	6.37	22.28
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Diluted

Diluted earnings per share is calculated by dividing the net profit for the financial year, attributable to owners of the parent, by the weighted average number of ordinary shares and ICPS outstanding during the financial year adjusted for the dilutive effects of all potential ordinary shares.

	Group	
	2020	2019
	RM'000	RM'000
Net profit attributable to owners of the parent	91,307	320,759

	Number of shares ('000)	
	2020	2019
Weighted average number of ordinary shares for basic earnings per share computation	1,433,880	1,439,689
Effect of conversion of ICPS to ordinary shares	982,386	88,818
Weighted average number of ordinary shares for diluted earnings per share computation	2,416,266	1,528,507

Diluted earnings per share (sen)	3.78	20.99
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There were no other transactions involving ordinary shares or potential ordinary shares since the reporting date and the date of authorisation of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

14. DIVIDENDS

Group and Company	Dividends in respect of financial year		Dividends recognised in financial year	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
First interim dividend for 2020: First interim single-tier share dividend paid by way of distribution of treasury shares on the basis of 4.5 treasury shares for every 100 existing ordinary shares held in the Company	53,829	-	53,829	-
First interim dividend for 2019: First interim single-tier dividend of 2.78 sen per ordinary share paid by way of cash	-	39,963	-	39,963
Second interim dividend for 2019: Second interim single-tier share dividend paid by way of distribution of treasury shares on the basis of 3 treasury shares for every 100 existing ordinary shares held in the Company	-	38,171	-	38,171
	53,829	78,134	53,829	78,134

The directors do not recommend a final dividend in respect of the financial year ended 31 December 2020.

15. PROPERTY, PLANT AND EQUIPMENT

Group Cost	Freehold land RM'000	Freehold buildings RM'000	Leasehold buildings RM'000	Construction in-progress RM'000	Golf course RM'000	Plant and machineries RM'000	Office furniture, fittings and equipment RM'000	Motor vehicles RM'000	Bearer plants RM'000	Total RM'000
At 1 January 2020	74,671	302,683	242,208	200,082	54,123	34,752	101,712	13,722	-	1,023,953
Additions	-	6,893	169	55,406	63	1,774	18,741	432	548	84,026
Disposals	-	-	-	-	-	(194)	(882)	(727)	-	(1,803)
Write off	-	-	-	-	-	(3,258)	(7,509)	(12)	-	(10,779)
Transfer from property development costs (Note 16(b))	-	-	-	-	-	-	1,693	-	-	1,693
Reclassification	-	222,830	27,568	(255,056)	308	1,313	1,276	-	1,761	-
Transfer from investment properties (Note 17)	-	-	11,326	-	-	-	-	-	-	11,326
Transfer to right-of-use assets (Note 35(a))	-	-	-	-	-	-	(474)	(1,409)	-	(1,883)
Adjustments ¹	-	(28,443)	-	-	-	-	-	-	-	(28,443)
At 31 December 2020	74,671	503,963	281,271	432	54,494	34,387	114,557	12,006	2,309	1,078,090
Accumulated depreciation										
At 1 January 2020	-	8,072	71,785	-	21,743	30,637	65,081	10,914	-	208,232
Depreciation (Note 9)	-	6,556	8,480	-	951	1,492	9,831	942	-	28,252
Disposals	-	-	-	-	-	(194)	(758)	(485)	-	(1,437)
Write off	-	-	-	-	-	(3,245)	(7,445)	(12)	-	(10,702)
Transfer to right-of-use assets (Note 35(a))	-	-	-	-	-	-	(162)	(1,056)	-	(1,218)
Reclassification	-	9,391	(9,391)	-	-	-	-	-	-	-
At 31 December 2020	-	24,019	70,874	-	22,694	28,690	66,547	10,303	-	223,127
Accumulated impairment losses										
At 1 January 2020	-	50,536	-	231	-	-	-	-	-	50,767
Impairment loss (Note 9)	-	33,650	-	-	-	-	-	-	-	33,650
At 31 December 2020	-	84,186	-	231	-	-	-	-	-	84,417
Carrying amount	74,671	395,758	210,397	201	31,800	5,697	48,010	1,703	2,309	770,546

¹ During the financial year, the Group has finalised certain costs incurred for one of its freehold buildings and arising therefrom, RM28,443,000 (2019: RM5,858,000) was adjusted against other payables.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

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

Group	Freehold land	Freehold buildings	Leasehold buildings	Construction in-progress	Golf course	Plant and machineries	Office furniture, fittings and equipment	Motor vehicles	Total
Cost	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2019	74,763	310,506	244,878	111,809	53,832	34,306	99,144	13,305	942,543
Additions	223	-	1,714	39,334	291	640	6,247	1,535	49,984
Disposals	-	-	-	-	-	-	(2,273)	(1,472)	(3,745)
Write off	-	(2,280)	(8,726)	(1,172)	-	(194)	(3,548)	(8)	(15,928)
Transfer from property development costs (Note 16(b))	-	-	-	50,111	-	-	-	-	50,111
Acquisition of subsidiaries	-	-	4,342	-	-	-	2,142	362	6,846
Reclassifications	(315)	315	-	-	-	-	-	-	-
Adjustments ¹	-	(5,858)	-	-	-	-	-	-	(5,858)
At 31 December 2019	74,671	302,683	242,208	200,082	54,123	34,752	101,712	13,722	1,023,953
Accumulated depreciation									
At 1 January 2019	-	2,120	70,890	-	20,801	29,412	57,945	10,835	192,003
Depreciation (Note 9)	-	5,952	8,281	-	942	1,412	9,322	1,259	27,168
Acquisition of subsidiaries	-	-	1,161	-	-	-	2,137	212	3,510
Disposals	-	-	-	-	-	-	(2,113)	(1,384)	(3,497)
Write off	-	-	(8,547)	-	-	(187)	(2,210)	(8)	(10,952)
At 31 December 2019	-	8,072	71,785	-	21,743	30,637	65,081	10,914	208,232
Accumulated impairment losses									
At 1 January 2019	-	-	-	-	-	-	-	-	-
Impairment loss (Note 9)	-	50,536	-	231	-	-	-	-	50,767
At 31 December 2019	-	50,536	-	231	-	-	-	-	50,767
Carrying amount	74,671	244,075	170,423	199,851	32,380	4,115	36,631	2,808	764,954

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

Company	Office furniture, fittings and equipment RM'000	Motor vehicles RM'000	Total RM'000
Cost			
At 1 January 2020	11,104	1,471	12,575
Additions	45	-	45
Write off	(6,225)	-	(6,225)
Transfer to right-of use assets (Note 35(a))	-	(403)	(403)
At 31 December 2020	4,924	1,068	5,992
Accumulated depreciation			
At 1 January 2020	10,535	219	10,754
Depreciation (Note 9)	258	212	470
Write off	(6,225)	-	(6,225)
Transfer to right-of use assets (Note 35(a))	-	(128)	(128)
At 31 December 2020	4,568	303	4,871
Carrying amount	356	765	1,121
Cost			
At 1 January 2019	11,092	519	11,611
Additions	12	952	964
At 31 December 2019	11,104	1,471	12,575
Accumulated depreciation			
At 1 January 2019	10,142	64	10,206
Depreciation (Note 9)	393	155	548
At 31 December 2019	10,535	219	10,754
Carrying amount	569	1,252	1,821

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For the financial year ended 31 December 2020

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

(a) The carrying amounts of property, plant and equipment pledged as securities for borrowings as disclosed in Note 32 are as follows:

	Group	
	2020	2019
	RM'000	RM'000
Freehold land and buildings	407,959	321,477
Leasehold land and buildings	313,802	253,434
Golf course	31,800	32,379
Construction in-progress	-	214,644
	753,561	821,934

(b) Finance costs capitalised during the financial year under property, plant and equipment of the Group amounted to RM3,358,000 (2019: RM1,812,000).

(c) During the financial year, two subsidiaries of the Group, Tropicana Residences Sdn Bhd and Tropicana Macalister Avenue (Penang) Sdn Bhd, carried out a review of the recoverable amount of its hotel buildings ("Hotels") as the economic performance of the Hotels fell below expectations. Total impairment losses of RM33,650,000 (2019: RM50,536,000), representing the write-down of the hotel buildings to the recoverable amount were recognised and disclosed under "Other-expenses" line item of the statements of comprehensive income for the financial year ended 31 December 2020. The recoverable amount of the hotel buildings of RM485,000,000 was determined based on its fair value less costs to sell. The fair value was determined based on valuations performed by accredited independent valuers who are specialists in valuing hotel buildings.

Description of valuation techniques used and key inputs to determine the fair value of the hotel buildings:

	Valuation techniques	Significant unobservable inputs	Range	
			2020	2019
Hotel buildings	Income approach	Gross operating profit	6.2% to 34.1%	28% to 34%
		Occupancy rate	45% to 84.5%	68% to 75%
		Capitalisation rate	6%	6%
		Average monthly income	RM1,000,000 to RM1,425,000	RM1,500,000

(d) During the financial year, the Group acquired property, plant and equipment with an aggregate cost of RM nil (2019: RM346,000) by means of hire purchase. The cash outflow on acquisition of property, plant and equipment of the Group and of the Company amounted to RM40,659,000 (2019: RM49,638,000) and RM45,000 (2019: RM964,000) respectively.

At the end of the previous financial year, the carrying amounts of the Group's and of the Company's property, plant and equipment held under hire purchase were RM1,481,000 and RM276,000 respectively.

16. INVENTORIES

	Group	
	2020	2019
	RM'000	RM'000
Cost		
Non-current		
Land held for property development	6,517,540	6,154,933
Current		
Completed development properties	202,300	192,625
Consumable stores and spares	1,843	2,161
Property development costs	366,644	423,377
Land held for sales	20,318	131,350
	591,105	749,513

Total inventories	7,108,645	6,904,446
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(a) Land held for property development

	Group	
	2020	2019
	RM'000	RM'000
Cost		
At 1 January		
Freehold land	3,318,529	970,478
Leasehold land	2,836,404	1,668,529
	6,154,933	2,639,007
Additions	468,317	118,394
Acquisition of subsidiaries	-	3,251,016
Transfer (to)/from property development costs (Note 16(b))	(9,896)	389,031
Transfer to investment properties (Note 17)	(34,433)	-
Adjustment	(13,507)	(114,575)
Transfer to land held for sales (Note 16(c))	(38,987)	(69,950)
Disposals (Note 5)	(8,887)	(57,990)
At 31 December	6,517,540	6,154,933

Finance costs capitalised during the financial year under land held for property development amounted to RM50,393,000 (2019: RM59,184,000).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

16. INVENTORIES (CONT'D.)

(b) Property development costs	Group	
	2020 RM'000	2019 RM'000
Cost		
At 1 January	423,377	1,537,766
Development costs incurred	113,694	161,972
Transfers from/(to):		
Land held for property development (Note 16(a))	9,896	(389,031)
Investment properties (Note 17)	(10,739)	(525,742)
Property, plant and equipment (Note 15)	(1,693)	(50,111)
Completed development properties	(19,703)	(155,405)
Contract cost assets (Note 25)	(148,188)	(139,076)
Write off (Note 9)	-	(16,996)
At 31 December	366,644	423,377

Finance costs capitalised during the financial year under property development costs amounted to RM6,503,000 (2019: RM42,119,000).

(c) Land held for sales	Group	
	2020 RM'000	2019 RM'000
Cost		
At 1 January	131,350	-
Acquisition of subsidiaries	-	74,884
Addition	3,489	-
Disposal (Note 5)	(153,508)	(13,484)
Transfer from land held for property development (Note 16(a))	38,987	69,950
At 31 December	20,318	131,350

Certain inventories with carrying amount of RM3,555,249,000 (2019: RM1,737,409,000) are pledged as securities for bank borrowings as disclosed in Note 32.

17. INVESTMENT PROPERTIES

	Freehold land and buildings RM'000	Leasehold land and buildings RM'000	Construction in-progress ("CIP") RM'000	Total RM'000
Group				
At 1 January 2020	148,733	1,088,465	139,836	1,377,034
Additions	15,077	18,403	31,993	65,473
Fair value adjustment:				
- gain (Note 6)	57,217	66,373	14,538	138,128
Reclassification	-	81,373	(81,373)	-
Transfer from property development costs (Note 16(b))	-	-	10,739	10,739
Transfer to property, plant and equipment (Note 15)	-	(11,326)	-	(11,326)
Transfer from land held for property development (Note 16(a))	34,433	-	-	34,433
At 31 December 2020	255,460	1,243,288	115,733	1,614,481
At 1 January 2019	178,733	314,436	81,563	574,732
Additions	-	346,581	54,353	400,934
Fair value adjustment:				
- (loss)/gain (Note 9)	-	(871)	197	(674)
Transfer from property development costs (Note 16(b))	-	522,019	3,723	525,742
Transfer to assets classified as held for sale (Note 27)	(30,000)	(45,700)	-	(75,700)
Disposals	-	(48,000)	-	(48,000)
At 31 December 2019	148,733	1,088,465	139,836	1,377,034

Finance costs capitalised during the financial year under investment properties under construction amounted to RM1,263,000 (2019: RM nil).

The carrying amounts of the investment properties pledged as securities for bank borrowings as disclosed in Note 32 are as follows:

	Group	
	2020 RM'000	2019 RM'000
Freehold land and buildings	265,050	132,000
Leasehold land and buildings	1,248,080	1,087,500
Construction in-progress	8,150	57,872
	1,521,280	1,277,372

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For the financial year ended 31 December 2020

17. INVESTMENT PROPERTIES (CONT'D.)

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to either purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Investment properties are stated at fair value, which had been determined based on valuations as at 31 December 2020 and 31 December 2019 performed by accredited independent valuers who are specialists in valuing these types of investment properties. The fair value of the properties had been determined using the cost method, comparison method, income approach by residual method and investment method depending on the nature of the properties.

Included in the construction in-progress amounting to RM90,144,000 (2019: RM81,964,000) is stated at cost as management believes that the fair value cannot be reliably determined due to the nature and the amount of remaining project risks.

Fair value hierarchy disclosures for investment properties is disclosed in Note 39.

Reconciliation of fair values:

	Freehold land and buildings RM'000	Leasehold land and buildings RM'000	CIP RM'000	Total RM'000
At 1 January 2020	148,733	1,088,465	57,872	1,295,070
Additions	15,077	18,403	28,954	62,434
Re-measurement recognised in profit or loss	57,217	66,373	14,538	138,128
Reclassification	-	81,373	(81,373)	-
Transfer from property development costs	-	-	5,598	5,598
Transfer to property, plant and equipment (Note 15)	-	(11,326)	-	(11,326)
Transfer from land held for property development (Note 16(a))	34,433	-	-	34,433
At 31 December 2020	255,460	1,243,288	25,589	1,524,337
At 1 January 2019	178,733	314,436	-	493,169
Additions	-	346,581	53,952	400,533
Re-measurement recognised in profit or loss	-	(871)	197	(674)
Transfer from property development costs (Note 16(b))	-	522,019	3,723	525,742
Transfer to assets classified as held for sale (Note 27)	(30,000)	(45,700)	-	(75,700)
Disposals	-	(48,000)	-	(48,000)
At 31 December 2019	148,733	1,088,465	57,872	1,295,070

17. INVESTMENT PROPERTIES (CONT'D.)

Description of valuation techniques used and key inputs to valuation on investment properties:

	Valuation techniques	Significant unobservable inputs	Range	
			2020	2019
Commercial building	Investment method**	Estimated rental value per sqft per month	RM1.00 to RM6.00	RM1.00 to RM6.00
		Long-term vacancy rate	5% to 10%	5% to 10%
		Yield rate	3.75% to 8%	3.75% to 8%
Commercial building	Cost method	Buildings are valued by reference to the current estimates on construction costs to erect equivalent buildings, taking into consideration similar accommodation in terms of size, construction, finishes, contractors' overheads, fees and profits. Appropriate adjustments are then made for the factors of obsolescence and existing physical condition of the building.		
		Estimated construction cots per sqft	RM18 to RM235	RM20 to RM230
Construction in-progress	Income approach by residual method	This approach is based on residual value of property after deduction of full cost of development and profit from sales proceeds of completed developments and discounted at an appropriate rate to reflect the inherent risk and holding cost for the period of development to arrive at the current market value.		
		Estimated rental value per sqft per month	-	RM4.80
		Development period	-	0.75 year
		Long-term vacancy rate	-	5%
Land	Comparison method	Yield rate	-	8%
		The comparison method entails analysing recent transactions and asking prices of similar property in and around the locality for comparison purposes with adjustments made for differences in location, visibility, size and tenure.	-30% to 30%	-50% to 30%

** The investment method entails determining the net annual income by deducting the annual outgoings from the gross annual income and capitalising the net income by a suitable rate of return consistent with the type and quality of the investment to arrive at the market value of the subject property.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

18. INVESTMENTS IN SUBSIDIARIES

	Company	
	2020 RM'000	2019 RM'000
Unquoted shares in Malaysia, at cost	3,422,089	3,324,599
Discount on amounts due from subsidiaries	47,910	47,910
	3,469,999	3,372,509
Less: Accumulated impairment losses	(399,556)	(382,661)
	3,070,443	2,989,848
	Company	
	2020 RM'000	2019 RM'000
Movement in the accumulated impairment losses:		
At 1 January	382,661	336,983
Charge for the financial year (Note 9)	16,895	62,916
Write off	-	(17,238)
At 31 December	399,556	382,661

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group#		Effective interest held by non-controlling interests#	
			2020 %	2019 %	2020 %	2019 %
Advent Nexus Sdn Bhd	Malaysia	Providing hotel management and services	100	100	-	-
Arah Pelangi Sdn Bhd	Malaysia	Property development	100	100	-	-
Bakat Rampai Sdn Bhd ("BRSB")	Malaysia	Investment holding	100	100	-	-
Subsidiaries of BRSB:						
Dicorp Land Sdn Bhd	Malaysia	Property development	100	100	-	-
Tropicana City Sdn Bhd ("TCSB")	Malaysia	Property development and property investment	100	100	-	-
Subsidiaries of TCSB:						
Dicasa Management Services Sdn Bhd	Malaysia	Property management and maintenance services	100	100	-	-
Tropicana City Management Sdn Bhd	Malaysia	Property management services	100	100	-	-
Tropicana Kajang Hill Sdn Bhd	Malaysia	Property development	100	100	-	-
Tropicana Parking Sdn Bhd	Malaysia	Management of car parking facilities	100	100	-	-
Tropicana Indah Realty Sdn Bhd ("TIRSB")	Malaysia	Investment holding	100	100	-	-
Subsidiary of TIRSB:						
Tropicana Indah Sdn Bhd	Malaysia	Property development, property investment, distribution and sale of electricity	70	70	30	30
BK Utilities Sdn Bhd	Malaysia	Water treatment and water supply	100	100	-	-
Daya Petaling Sdn Bhd	Malaysia	Property investment	100	100	-	-
Greenhouse Farm and Fishery Sdn Bhd (fka Tropicana Aquaculture Sdn Bhd)	Malaysia	Agriculture, fishery and trading	100	100	-	-
Marvelscape Sdn Bhd	Malaysia	Investment holding and property development	100	100	-	-

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For the financial year ended 31 December 2020

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group#		Effective interest held by non-controlling interests#	
			2020	2019	2020	2019
			%	%	%	%
Megaxis Sdn Bhd	Malaysia	Investment holding	100	100	-	-
Myxon (M) Sdn Bhd	Malaysia	Construction	100	100	-	-
Pixelcloud Sdn Bhd	Malaysia	Investment holding	100	100	-	-
Purple Pumkie Organic Farm Sdn Bhd	Malaysia	Organic farming	100	-	-	-
Spring Garden Star Sdn Bhd (fka Mighty Valley Sdn Bhd)	Malaysia	Investment holding, property investment and trading	100	100	-	-
Suasana Metro Sdn Bhd	Malaysia	Property investment and development activities	70	70	30	30
Suci Padu Resources Sdn Bhd	Malaysia	Property development	100	100	-	-
Supreme Converge Sdn Bhd	Malaysia	Investment holding	100	100	-	-
Tropicana Acehub Sdn Bhd ("TAHSB")	Malaysia	Investment holding	100	100	-	-
Subsidiary of TAHSB:						
Lido Waterfront Boulevard Sdn Bhd	Malaysia	Property investment and development activities	65	65	35	35
Tropicana Aman Sdn Bhd ("TASB")	Malaysia	Property development	100	100	-	-
Subsidiary of TASB:						
Sapphire Step Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Building Materials Sdn Bhd	Malaysia	Trading of building materials	100	100	-	-
Tropicana Business Consulting (Shenzhen) Pte. Ltd. *	People's Republic of China	Provision of consultancy services for related services on conferences and exhibitions	100	100	-	-
Tropicana Central Department Store Sdn Bhd	Malaysia	Management and operation of department store	100	100	-	-

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group#		Effective interest held by non-controlling interests#	
			2020	2019	2020	2019
			%	%	%	%
Tropicana Central Garden Mall Sdn Bhd	Malaysia	Management and operation of mall	100	100	-	-
Tropicana Cheras Sdn Bhd	Malaysia	Property development	100	100	-	-
Tropicana Coliseum (Ipoh) Sdn Bhd	Malaysia	Property investment	100	100	-	-
Tropicana Collections (MM2H) Sdn Bhd	Malaysia	Provision of MM2H application services	100	100	-	-
Tropicana Corporate Solutions Sdn Bhd	Malaysia	Provision of treasury management, fund management, cash management, investment management, financing and debt management, financial risk management and any other related services	100	100	-	-
Tropicana Credit & Leasing Sdn Bhd	Malaysia	Money lending and credit financing services	100	100	-	-
Tropicana Danga Bay Land Sdn Bhd ("TDBLSB")	Malaysia	Investment holding	100	100	-	-
Subsidiaries of TDBLSB:						
Desiran Realiti Sdn Bhd	Malaysia	Investment holding and share trading	100	100	-	-
Tropicana Danga Bay Sdn Bhd	Malaysia	Property development, investment holding and property investment	60	60	40	40
Tropicana Danga Cove Holding Sdn Bhd	Malaysia	Investment holding	100	100	-	-
Tropicana Danga Lagoon Development Sdn Bhd ("TDLDSB")	Malaysia	Property investment, development activities and investment holding	100	100	-	-
Subsidiaries of TDLDSB:						
Tropicana Danga Lagoon Land Sdn Bhd	Malaysia	Property investment and development activities	100	100	-	-
Tropicana Danga Lapanbelas Sdn Bhd	Malaysia	Property investment and development activities	100	100	-	-

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For the financial year ended 31 December 2020

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group#		Effective interest held by non-controlling interests#	
			2020	2019	2020	2019
			%	%	%	%
Tropicana Danga Lagoon Garden Sdn Bhd	Malaysia	Property investment and development activities	100	100	-	-
Tropicana Danga Lagoon Sdn Bhd (“TDLSB”)	Malaysia	Property investment and development activities	100	100	-	-
Subsidiary of TDLSB:						
Tropicana Lagoon Sdn Bhd	Malaysia	Property development	100	100	-	-
Tropicana Danga Senibong Holding Sdn Bhd (“TDSHSB”)	Malaysia	Investment holding	100	100	-	-
Subsidiary of TDSHSB:						
Tropicana Danga Senibong Sdn Bhd **	Malaysia	Property development	70	70	30	30
Tropicana Development (Johor Bahru) Sdn Bhd	Malaysia	Property development	100	100	-	-
Tropicana Development (Penang) Sdn Bhd	Malaysia	Property agent and investment holding	100	100	-	-
Tropicana Development (Sabah) Sdn Bhd	Malaysia	Property investment	100	100	-	-
Tropicana Development (Sg. Besi) Sdn Bhd	Malaysia	Property development and investment holding	100	100	-	-
Tropicana Education Management Sdn Bhd	Malaysia	Property investment	85	85	15	15
Tropicana Firstwide Sdn Bhd	Malaysia	Property investment, development activities and agriculture business	100	100	-	-
Tropicana Golf & Country Resort Berhad (“TGCRB”)	Malaysia	Property development, sale of land, recreation and resort	100	100	-	-
Subsidiaries of TGCRB:						
Tropicana Desa Mentari Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group#		Effective interest held by non-controlling interests#	
			2020	2019	2020	2019
			%	%	%	%
Tropicana Management Services Sdn Bhd	Malaysia	Property management and maintenance	100	100	-	-
Tropicana Sungai Buloh Sdn Bhd	Malaysia	Property development	100	100	-	-
Tropicana GP Views Sdn Bhd (fka GP Views Development Sdn Bhd)	Malaysia	Property investment and development activities	100	100	-	-
Tropicana Harapan Sdn Bhd	Malaysia	Property development	100	100	-	-
Tropicana Healthcare Supplies Sdn Bhd (fka Tropicana Global Development Sdn Bhd)	Malaysia	Wholesale, distribution and trading of all types of gloves, face mask, and healthcare related products and importer, wholesale, distribution of pharmaceutical products, vaccine, hybrid (new chemical entities) medicines, biologics products (including biosimiliars), pharmaceutical products’ generic scheduled and non-scheduled poisons products	100	100	-	-
Tropicana Innovative Landscape Sdn Bhd	Malaysia	Provision of landscape services	100	100	-	-
Tropicana Inspirasi Sdn Bhd (“TINSB”) (fka Sumber Saujana Sdn Bhd)	Malaysia	Investment holding	100	100	-	-
Subsidiaries of TINSB:						
Tropicana Saujana Sdn Bhd	Malaysia	Investment holding	100	100	-	-
Tropicana Inspirasi Impian Sdn Bhd (fka Elkwood Realty Sdn Bhd)	Malaysia	Property development and property investment	51	-	49	-
Tropicana Inspirasi Indah Sdn Bhd (fka Snowflakes Realty Sdn Bhd)	Malaysia	Property development and property investment	51	-	49	-
Tropicana Investment Consulting Pte. Ltd. *	People’s Republic of China	Business information consultation, enterprise management consultation and exhibition service	100	100	-	-

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For the financial year ended 31 December 2020

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group#		Effective interest held by non-controlling interests#	
			2020	2019	2020	2019
			%	%	%	%
Tropicana Jaya Sdn Bhd	Malaysia	Investment holding and renting of properties	100	100	-	-
Tropicana Kemayan Development Sdn Bhd	Malaysia	Investment holding	100	100	-	-
Tropicana Kiara Lestari Development Sdn Bhd	Malaysia	Property development	100	100	-	-
Tropicana Kiara Lestari Land Sdn Bhd	Malaysia	Property development	100	100	-	-
Tropicana Lahad Datu Development Sdn Bhd	Malaysia	Property investment	100	100	-	-
Tropicana Land (Sandakan) Sdn Bhd	Malaysia	Property investment	100	100	-	-
Tropicana Land Sdn Bhd	Malaysia	Property development	100	100	-	-
Tropicana Landmark Sdn Bhd	Malaysia	Property development	100	100	-	-
Tropicana Laris Sdn Bhd (fka Cenang Laris Sdn Bhd)	Malaysia	Investment holding	99	-	1	-
Tropicana Lido Development Sdn Bhd	Malaysia	Property investment	100	100	-	-
Tropicana Lingkaran Utama Sdn Bhd ("TLUSB")	Malaysia	Property investment, development activities and investment holding	100	100	-	-
Subsidiary of TLUSB:						
Tropicana Southern Gallery Sdn Bhd	Malaysia	Property investment and development activities	100	100	-	-
Tropicana Macalister Avenue (Penang) Sdn Bhd	Malaysia	Hotel operation, property development and property investment	100	100	-	-
Tropicana Makmur Arif Sdn Bhd (fka Sparkling Realty Sdn Bhd)	Malaysia	Property development and property investment	100	100	-	-
Tropicana Makmur Cahaya Sdn Bhd (fka Capricorn Realty Sdn Bhd)	Malaysia	Property development and property investment	100	100	-	-

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group#		Effective interest held by non-controlling interests#	
			2020	2019	2020	2019
			%	%	%	%
Tropicana Makmur Duta Sdn Bhd (fka Skytree Realty Sdn Bhd)	Malaysia	Property development and property investment	100	100	-	-
Tropicana Makmur Erat Sdn Bhd (fka Starling Realty Sdn Bhd)	Malaysia	Property development and property investment	100	100	-	-
Tropicana Makmur Gagah Sdn Bhd (fka Raindust Realty Sdn Bhd)	Malaysia	Property development and property investment	100	100	-	-
Tropicana Makmur Irama Sdn Bhd (fka Moonlight Realty Sdn Bhd)	Malaysia	Property development and property investment	100	100	-	-
Tropicana Makmur Peluang Sdn Bhd (fka Stardust Realty Sdn Bhd)	Malaysia	Property development and property investment	100	100	-	-
Tropicana Marketplace Sdn Bhd ("TMPSB")	Malaysia	Provision of sales and marketing activities	100	100	-	-
Subsidiary of TMPSB:						
Marketplace (Hong Kong) Limited *	Hong Kong	Provisional sales and marketing activities and consultancy services	100	100	-	-
Tropicana Mentari Development Sdn Bhd ("TMDSB")	Malaysia	Investment holding	100	100	-	-
Subsidiaries of TMDSB:						
Tropicana Sierra Sdn Bhd	Malaysia	Property development	100	100	-	-
Urban Discovery Sdn Bhd	Malaysia	Investment holding and property investment	100	100	-	-
Tropicana Metro Sdn Bhd	Malaysia	Property investment	100	100	-	-

NOTES TO THE FINANCIAL STATEMENTS

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18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group#		Effective interest held by non-controlling interests#	
			2020	2019	2020	2019
			%	%	%	%
Tropicana Metropark Sdn Bhd (“TMSB”)	Malaysia	Property development	100	100	-	-
Subsidiary of TMSB:						
Tropicana Gems Education Sdn Bhd	Malaysia	Property investment	100	100	-	-
Tropicana Paisley Sdn Bhd	Malaysia	General trading, investment holding and property	100	100	-	-
Tropicana Plaza Sdn Bhd	Malaysia	Property investment	100	100	-	-
Tropicana Properties (Klang) Sdn Bhd	Malaysia	Property investment	100	100	-	-
Tropicana Properties (Sabah) Sdn Bhd	Malaysia	Property investment	100	100	-	-
Tropicana Properties (Sandakan) Sdn Bhd	Malaysia	Property investment	100	100	-	-
Tropicana Property Management Sdn Bhd	Malaysia	Property management services	100	100	-	-
Tropicana Property Services Sdn Bhd	Malaysia	Property management services	100	-	-	-
Tropicana Rahang Development Sdn Bhd	Malaysia	Investment holding	100	100	-	-
Tropicana Residences Sdn Bhd	Malaysia	Hotel operations, property development and property investment	100	100	-	-
Tropicana Resort Holding Sdn Bhd (“TRHSB”)	Malaysia	Investment holding	100	100	-	-
Subsidiary of TRHSB:						
Tropicana Danga Bay Resort Sdn Bhd	Malaysia	Property development and property investment	60	60	40	40
Tropicana Rhythm Crest Sdn Bhd	Malaysia	Property investment and development activities	100	100	-	-
Tropicana Sadong Jaya Development Sdn Bhd	Malaysia	Property investment	100	100	-	-

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group#		Effective interest held by non-controlling interests#	
			2020	2019	2020	2019
			%	%	%	%
Tropicana Sanctuary Development Sdn Bhd	Malaysia	Property investment and development activities	70	70	30	30
Tropicana Scenic Development Sdn Bhd	Malaysia	Property investment and development activities	100	100	-	-
Tropicana Senibong Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Tropicana Serdang Suria Sdn Bhd	Malaysia	Property development	100	100	-	-
Tropicana Seri Aliran Sdn Bhd (fka Comets Realty Sdn Bhd)	Malaysia	Property development and Property investment	100	100	-	-
Tropicana Seri Bakat Sdn Bhd (fka Limestone Realty Sdn Bhd)	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Damai Sdn Bhd (fka Lavender Realty Sdn Bhd)	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Dutaan Sdn Bhd (fka Tropicana Technology Sdn Bhd)	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Fauna Sdn Bhd (fka Rainforest Realty Sdn Bhd)	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Irama Sdn Bhd (fka Misty Realty Sdn Bhd)	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Jalur Sdn Bhd (fka Tropicana City Development Sdn Bhd)	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Jutaan Sdn Bhd (fka Pluto Realty Sdn Bhd)	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Meranti Sdn Bhd (fka Tropicana Bukit Bintang Development Sdn Bhd)	Malaysia	Property development and property investment	100	100	-	-

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For the financial year ended 31 December 2020

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group#		Effective interest held by non-controlling interests#	
			2020	2019	2020	2019
			%	%	%	%
Tropicana Seri Nipah Sdn Bhd (fka Tropicana Kia Peng Sdn Bhd)	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Orkid Sdn Bhd (fka Tropicana KL Development Sdn Bhd)	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Peluang Sdn Bhd (fka Twinkle Realty Sdn Bhd)	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Resak Sdn Bhd (fka Tropicana Lintas Development Sdn Bhd)	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Riang Sdn Bhd (fka Tropicana Mengalum Holdings Sdn Bhd)	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Segak Sdn Bhd (fka Kuasa Cekapmas Sdn Bhd)	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Sena Sdn Bhd (fka Tropicana Properties (Puchong) Sdn Bhd)	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Tabah Sdn Bhd (fka Waves Realty Sdn Bhd)	Malaysia	Property development and property investment	100	100	-	-
Tropicana Seri Tujuan Sdn Bhd (fka Tropicana Urban Homes Sdn Bhd)	Malaysia	Property development and property investment	100	100	-	-
Tropicana Shared Services Sdn Bhd	Malaysia	Provision of management services and publication in magazine	100	100	-	-
Tropicana Sinaran Sdn Bhd (fka Tropicana Properties (Keningau) Sdn Bhd)	Malaysia	Property investment	100	100	-	-

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group#		Effective interest held by non-controlling interests#	
			2020	2019	2020	2019
			%	%	%	%
Tropicana SJII Education Management Sdn Bhd	Malaysia	Provision of education services	51	51	49	49
Tropicana Subang South Development Sdn Bhd	Malaysia	Property development and investment holding	100	100	-	-
Tropicana Tawau Development Sdn Bhd	Malaysia	Property investment	100	100	-	-
Tropicana Wisma TT Sdn Bhd	Malaysia	Property development and property investment	100	100	-	-
Ultimate Support Sdn Bhd	Malaysia	Provision of network application services	100	100	-	-
Valley Talent Solutions Sdn Bhd	Malaysia	Investment Holding	99	-	1	-

All subsidiaries are audited by Ernst & Young PLT, Malaysia except as indicated below:

* Audit by firms other than Ernst & Young PLT

Equals to the proportion of voting rights held

^ Struck off pursuant to Section 550 of the Companies Act 2016

** Dissolved on 29 March 2021

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For the financial year ended 31 December 2020

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Financial information of subsidiaries that have material non-controlling interests are provided below. The financial information presented below are amounts before inter-company elimination:

(i) Summarised statements of financial position

	TISB 2020 RM'000	TISB 2019	TDBSB 2020 RM'000	TDBSB 2019	TSDSB 2020 RM'000	TSDSB 2019	LWBSB 2020 RM'000	LWBSB 2019
Non-current assets	1,142,140	1,002,586	383,071	385,651	83,495	83,805	873,329	834,848
Current assets	235,753	279,507	97,847	112,174	977	2,160	50,084	22,327
Non-current liabilities	(456,253)	(400,436)	-	(5)	-	(28,990)	(25,140)	(37,498)
Current liabilities	(303,216)	(409,059)	(13,863)	(22,405)	(125,845)	(90,173)	(777,957)	(824,909)
Net assets/(liabilities)	618,424	472,598	467,055	475,415	(41,373)	(33,198)	120,316	(5,232)

(ii) Summarised statements of comprehensive income

	TISB 2020 RM'000	TISB 2019	TDBSB 2020 RM'000	TDBSB 2019	TSDSB 2020 RM'000	TSDSB 2019	LWBSB 2020 RM'000	LWBSB 2019
Revenue	46,794	109,232	(3,463)	(1,269)	-	-	206,239	97,435
Profit/(loss) net of tax for the financial year	45,190	14,602	(4,359)	(3,049)	(8,175)	(6,038)	125,548	70,197
Profit/(loss) attributable to owners of the parent	31,633	10,221	(2,615)	(1,829)	(4,905)	(2,241)	75,329	45,628
Profit/(loss) attributable to non-controlling interests	13,557	4,381	(1,744)	(1,220)	(3,270)	(3,797)	50,219	24,569
Total comprehensive income/(loss)	45,190	14,602	(4,359)	(3,049)	(8,175)	(6,038)	125,548	70,197

Transactions with non-controlling interests:								
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-
Issuance/(redemption) of redeemable preference shares	30,802	9,527	(4,000)	(5,200)	-	-	-	-

(iii) Summarised statements of cash flows

	TISB 2020 RM'000	TISB 2019	TDBSB 2020 RM'000	TDBSB 2019	TSDSB 2020 RM'000	TSDSB 2019	LWBSB 2020 RM'000	LWBSB 2019
Net cash (used in)/generated from operating activities	(89,776)	(256,543)	(2,777)	(33,570)	82,528	(16,101)	31,745	(19,582)
Net cash (used in)/generated from investing activities	(2,581)	(463)	823	137	-	61,309	-	5
Net cash generated from/(used in) financing activities	82,905	225,100	(4,059)	(13,075)	(81,980)	(45,218)	(30,111)	12,460
Net (decrease)/increase in cash and cash equivalents	(9,452)	(31,906)	(6,013)	(46,508)	548	(10)	1,634	(7,117)
Cash and cash equivalents at beginning of financial year	74,337	106,243	20,161	66,669	278	288	4,318	11,435
Cash and cash equivalents at end of financial year	64,885	74,337	14,148	20,161	826	278	5,952	4,318

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(a) Group restructuring

During the financial year, the Group and the Company executed and completed an internal Group restructuring scheme involving the following:

- (i)

The Company injected total additional working capital of RM4,395,330 in Tropicana Investment Consulting Pte. Ltd., a wholly-owned subsidiary of the Company.
- (ii)

The Company injected total additional working capital of RM31,000 in Tropicana Business Consulting (Shenzhen) Pte. Ltd., a wholly-owned subsidiary of the Company.
- (iii)

The Company completed the capitalisation of debts amounting to RM153,234,675 owed by several subsidiaries to the Company by way of issuance of Redeemable Non-Cumulative Preference Shares (“RNCPS”) issued by these subsidiaries at an issuance price of RM1 each.
- (iv)

On 10 January 2020, the Company acquired 297 new Ordinary Shares representing 99% of total paid-up capital of Tropicana Laris Sdn Bhd (“TLSB”) (fka Cenang Laris Sdn Bhd), for a total cash consideration of RM297. Following the completion of the acquisition, TLSB has become a wholly-owned subsidiary of the Company. The acquisition has no material effect to the financial statements.
- (v)

On 10 January 2020, the Company acquired 9,900 new Ordinary Shares representing 99% of total paid-up capital of Valley Talent Solutions Sdn Bhd (“VTSSB”), for a total cash consideration of RM9,900. Following the completion of the acquisition, VTSSB has become a wholly-owned subsidiary of the Company. The effects of the acquisition to the financial statements are as follow:

	RM'000
Cash and cash equivalents of subsidiary acquired	41
Less: consideration settled in cash	(10)
Net cash inflow on acquisition	31

	RM'000
Goodwill arising on acquisition:	
Cash and bank balances	41
Other payables	(2,396)
Total carrying amount of net identifiable liabilities, representing the fair value of net identifiable liabilities	(2,355)
Add: Non-controlling interest measured at proportionate share of the acquiree’s identifiable net liabilities	24
Group’s interest in fair value of net identifiable liabilities	(2,331)
Goodwill on acquisition	2,341
Total purchase consideration	10

- (vi)

On 3 February 2020, the Company had incorporated a wholly-owned subsidiary, Tropicana Property Services Sdn Bhd with 1 Ordinary Share which representing 100% of total paid-up capital for a total cash consideration of RM1.
- (vii)

On 31 March 2020, the Company has fully redeemed the Redeemable Convertible Unsecured Loan Stocks (“RCULS”) issued by Tropicana Wisma TT Sdn Bhd (“TWTTSB”) for RM3,111,713 by offsetting of amounts owing by the Company to TWTTSB.
- (viii)

On 18 August 2020, the Company subscribed for 5,000,000 of RNCPS issued by Tropicana Corporate Solutions Sdn Bhd at an issuance price of RM1 each for a total cash consideration of RM5,000,000.
- (ix)

On 21 September 2020, the Company had incorporated a wholly-owned subsidiary, Purple Pumkie Organic Farm Sdn Bhd with 1 Ordinary Share representing 100% of total paid-up capital for a total cash consideration of RM1.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(a)	Group restructuring (cont'd.)
	During the financial year, the Group and the Company executed and completed an internal Group restructuring scheme involving the following: (cont'd.)
(x)	On 20 November 2020, the Company completed a capital reduction exercise to reduce its investment in a subsidiary, Tropicana Jaya Sdn Bhd by cancelling 3,820,000 of Ordinary Shares and 1,177,324 of RNCPS, all of which are held by the Company amounting to RM4,997,324.
(xi)	On 8 December 2020, the Company completed a capital reduction exercise to reduce its investment in a subsidiary, Tropicana Lido Development Sdn Bhd by cancelling 6,731,440 of Class-B Ordinary Shares and 1,027,290 of RNCPS, all of which are held by the Company amounting to RM7,758,730.
(xii)	On 28 December 2020, the Company has fully redeemed the balance of the RCULS issued by Tropicana Development (Johor Bahru) Sdn Bhd ("TDJBSB") for RM17,000,000 by offsetting of amounts owing by the Company to TDJBSB.
(xiii)	On 30 December 2020, the Company has partially redeemed the RNCPS issued by Tropicana Kajang Hill Sdn Bhd ("TKHSB") for RM17,591,403 by offsetting of amounts owing by the Company to TKHSB.
(xiv)	On 31 December 2020, the Company has fully redeemed the RCULS issued by Daya Petaling Sdn Bhd ("DPSB") for RM14,722,030 by offsetting of amounts owing by the Company to DPSB.
	The following group restructuring took place in the previous financial year:
(i)	The Company injected total additional working capital of RM354,600 in Tropicana Investment Consulting Pte. Ltd., a wholly-owned subsidiary of the Company.
(ii)	The Company completed the capitalisation of debts amounting to RM57,666,378 owed by several subsidiaries to the Company by way of issuance of Redeemable Non-Cumulative Preference Shares ("RNCPS") issued by these subsidiaries at an issuance price of RM1 each.
(iii)	On 17 January 2019, the Company acquired the balance of 51 Ordinary Shares in Tropicana Seri Tujuan Sdn Bhd ("TSTSB") (fka Tropicana Urban Homes Sdn Bhd) for a total cash consideration of RM51. Following the completion of the acquisition, TUHSB has become a wholly-owned subsidiary of the Company.
(iv)	On 18 February 2019, Tropicana Mentari Development Sdn Bhd ("TMDSB"), a wholly-owned subsidiary of the Company, acquired 1 Ordinary Share of Urban Discovery Sdn Bhd ("Urban Discovery") representing 100% of the total paid-up share capital for a total cash consideration of RM1. Following the completion of the acquisition, Urban Discovery has become a wholly-owned subsidiary of TMDSB, which in turn is an indirect wholly-owned subsidiary of the Company.
(v)	On 26 February 2019, Tropicana Marketplace Sdn Bhd ("TMPSB"), a wholly-owned subsidiary of the Company, registered a wholly foreign owned enterprise by the name of Marketplace (Hong Kong) Limited as a private limited liability company in Hong Kong, the People's Republic of China, with a total amount of investment of Hong Kong Dollar ("HKD") 1 and registered capital of HKD1.
(vi)	On 27 February 2019, the Company completed a capital reduction exercise to reduce its investment in a subsidiary, Tropicana Development (Penang) Sdn Bhd by cancelling 59,667,940 of Class B Ordinary Shares and 96,937,333 of RNCPS, all of which are held by the Company amounting to RM156,605,273.
(vii)	On 4 March 2019, the Company acquired 1 Ordinary Share of Pixelcloud Sdn Bhd ("Pixelcloud") representing 100% of the total paid-up share capital for a total cash consideration of RM1. Following the completion of the acquisition, Pixelcloud has become a wholly-owned subsidiary of the Company.

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(a)	Group restructuring (cont'd.)
	The following group restructuring took place in the previous financial year: (cont'd.)
(viii)	On 16 April 2019, BK Utilities Sdn Bhd ("BK Utilities") was incorporated as a private company limited by shares in Malaysia under the Companies Act 2016. The entire issued share capital of BK Utilities of RM1 comprising 1 Ordinary Share is held by the Company.
(ix)	On 3 June 2019, the Company acquired 1 Ordinary Share of Marvelscape Sdn Bhd ("MSSB") representing 100% of the total paid-up share capital for a total cash consideration of RM1. Following the completion of the acquisition, MSSB has become a wholly-owned subsidiary of the Company.
(x)	On 14 June 2019, Tropicana KK City Sdn Bhd had been struck off from the Register of the Companies Commission of Malaysia and dissolved following the publication of the notice of striking off pursuant to Section 551(3) of the Companies Act 2016 in the Gazette.
(xi)	On 14 June 2019, the Company has fully redeemed the Redeemable Convertible Unsecured Loan Stocks issued by Tropicana Coliseum (Ipoh) Sdn Bhd ("TCISB") for RM11,919,271 by offsetting of amounts owing by the Company to TCISB.
(xii)	On 2 July 2019, the Company acquired 1 Ordinary Share each of Mighty Valley Sdn Bhd ("MVSB") and Megaxis Sdn Bhd ("MXSB"). Each of the acquisitions representing 100% of the total paid-up share capital for a cash consideration of RM1 each. Following the completion of the acquisition, MVSB and MXSB have become wholly-owned subsidiaries of the Company.
(xiii)	On 2 July 2019, Tropicana Central Garden Mall Sdn Bhd ("TCGMSB") and Tropicana Central Department Store Sdn Bhd ("TCDSSB") were incorporated as private companies limited by shares in Malaysia under the Companies Act 2016. The entire issued share capital of TCGMSB and TCDSSB of RM1 each respectively comprising 1 Ordinary Share each is held by the Company.
(xiv)	On 8 July 2019, the Company has partially redeemed the Redeemable Convertible Unsecured Loan Stocks issued by Tropicana Harapan Sdn Bhd ("THSB") for RM13,940,668 by offsetting of amounts owing by the Company to THSB.
(xv)	On 13 September 2019, Tropicana Jalan Selangor Development Sdn Bhd had been struck off from the Register of the Companies Commission of Malaysia and dissolved following the publication of the notice of striking off pursuant to Section 551(3) of the Companies Act 2016 in the Gazette.
(xvi)	On 25 October 2019, the Company acquired the remaining 2 Ordinary Shares of Tropicana Danga Lagoon Sdn Bhd ("TDLB") for a total consideration of RM10,570,515. Following the completion of the acquisition, TDLB has become a wholly-owned subsidiary of the Company.
(xvii)	On 7 October 2019, Tropicana Danga Bay Pte. Ltd., a company incorporated in Singapore had been struck off from the Register of Companies pursuant to Section 344A of the Companies Act, Chapter 50 of Singapore.
(xviii)	On 22 November 2019, Suci Padu Resources Sdn Bhd ("SPRSB") was incorporated as a private company limited by shares in Malaysia under the Companies Act 2016. The entire issued share capital of SPRSB of RM1 comprising 1 Ordinary Share is held by the Company.
(xix)	On 28 November 2019, Tropicana Makmur Arif Sdn Bhd ("TMASB") (fka Sparkling Realty Sdn Bhd), Tropicana Makmur Peluang Sdn Bhd ("TMPSB") (fka Stardust Realty Sdn Bhd), Tropicana Makmur Duta Sdn Bhd ("TMDSB") (fka Skytree Realty Sdn Bhd), Tropicana Makmur Erat Sdn Bhd ("TMESB") (fka Starling Realty Sdn Bhd), Tropicana Makmur Gagah Sdn Bhd ("TMGSB") (fka Raindust Realty Sdn Bhd), Tropicana Makmur Cahaya Sdn Bhd ("TMCSB") (fka Capricorn Realty Sdn Bhd), Tropicana Makmur Irama Sdn Bhd ("TMISB") (fka Moonlight Realty Sdn Bhd), Tropicana Seri Aliran Sdn Bhd ("TSASB") (fka Comets Realty Sdn Bhd), Tropicana Seri Bakat Sdn Bhd ("TSBSB") (fka Limestone Realty Sdn Bhd), Tropicana Seri Peluang Sdn Bhd ("TSPSB") (fka Twinkle Realty Sdn Bhd), Tropicana Seri Damai Sdn Bhd ("TSDSB") (fka Lavender Realty Sdn Bhd), Tropicana Seri Irama Sdn Bhd ("TSISB") (fka Misty Realty Sdn Bhd) and Tropicana Seri Fauna Sdn Bhd ("TSFSB") (fka Rainforest Realty Sdn Bhd) were incorporated as private companies limited by shares in Malaysia under the Companies Act 2016. The entire issued share capital TMASB, TMPSB, TMDSB, TMESB, TMGSB, TMCSB, TMISB, TSASB, TSBSB, TSPSB, TSDSB, TSISB and TSFSB of RM1 each respectively comprising 1 Ordinary Share each is held by the Company.

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For the financial year ended 31 December 2020

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(a) Group restructuring (cont'd.)

The following group restructuring took place in the previous financial year: (cont'd.)

- (xx) On 28 November 2019, the Company has disposed its entire 501,000 Ordinary Shares representing 50.1% equity interest in Tropicana Sanctuary Holdings Sdn Bhd (“**TSanc Holdings**”) for a disposal consideration of RM49,037,143. Subsequently, on 29 November 2019, the Company acquired 1,540,000 Ordinary Shares of Tropicana Sanctuary Development Sdn Bhd (“**TSanc Development**”) for a total cash consideration of RM237,032,732. Following the completion of the acquisition, TSanc Development had become a 70% owned subsidiary of the Company.
- (xxi) On 29 November 2019, Tropicana Seri Jutaan Sdn Bhd (“**TSJSB**”) (fka Pluto Realty Sdn Bhd) and Tropicana Seri Tabah Sdn Bhd (“**TSTSB**”) (fka Waves Realty Sdn Bhd) were incorporated as private companies limited by shares in Malaysia under the Companies Act 2016. The entire issued share capital TSJSB and TSTSB of RM1 each respectively comprising 1 Ordinary Share each is held by the Company.
- (xxii) On 24 January 2019, the Company had entered into twelve (12) conditional share purchase agreements with Tan Sri Dato’ Tan Chee Sing (“**TSDT**”) and/or persons connected to him to acquire the following entities (“**Acquiree Companies**”). Upon the acquisition being duly completed on 29 November 2019, the Acquiree Companies became subsidiaries of the Group.

No	Name of Company	Effective interest (%)	Purchase consideration RM’million
1	Tropicana GP Views Sdn Bhd (fka GP Views Development Sdn Bhd)	100	19.6
2	Tropicana Scenic Development Sdn Bhd	100	1.0
3	Tropicana Firstwide Sdn Bhd	100	43.2
4	Tropicana Rhythm Crest Sdn Bhd	100	2.8
5	Tropicana Lingkaran Utama Sdn Bhd and its wholly-owned subsidiary, Tropicana Southern Gallery Sdn Bhd	100	1.0
6	Tropicana Danga Lagoon Development Sdn Bhd and its wholly-owned subsidiaries, Tropicana Danga Lagoon Land Sdn Bhd and Tropicana Danga Lapanbelas Sdn Bhd	100	6.7
7	Tropicana Danga Lagoon Garden Sdn Bhd	100	0.3
8	Tropicana Acehub Sdn Bhd and its 65% owned subsidiary, Lido Waterfront Boulevard Sdn Bhd	100	97.6
9	Tropicana Kiara Lestari Development Sdn Bhd	100	25.0
10	Tropicana Kiara Lestari Land Sdn Bhd	100	20.0
11	Suasana Metro Sdn Bhd	70	0.2
Total purchase consideration			217.4

- (xxiii) On 5 December 2019, the Company has partially redeemed the Redeemable Convertible Unsecured Loan Stocks issued by Tropicana Development (Johor Bahru) Sdn Bhd (“**TDJBSB**”) for RM21,794,581 by offsetting of amounts owing by the Company to TDJBSB.
- (xxiv) On 31 December 2019, the Company has fully redeemed the Redeemable Convertible Unsecured Loan Stocks issued by Tropicana Jaya Sdn Bhd (“**TJSB**”) for RM3,189,423 by offsetting of amounts owing by the Company to TJSB.
- (xxv) On 31 December 2019, the Company has completed a capital reduction exercise to reduce its investment in a subsidiary, Tropicana Danga Bay Land Sdn Bhd by cancelling 13,800,000 of RNCPS, all of which are held by the Company amounting to RM13,800,000.
- (xxvi) On 31 December 2019, Tropicana Jaya Sdn Bhd has redeemed 4,700,000 RNCPS held by the Company at a redemption price of RM1 each.

The above acquisitions and disposals of the subsidiaries did not have any material effect on the financial results and position of the Group except for the transactions stated in Note 18(a)(xxii) as disclosed in Note 18(c).

18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(b) Impairment loss

During the financial year, an impairment loss amounting to RM16,895,000 (2019: RM62,916,000) was recognised in the profit or loss of the Company as the recoverable amounts of certain subsidiaries were lower than their carrying amounts as at the reporting date.

(c) Acquisition of Acquiree Companies

The fair values of the identifiable assets and liabilities of Acquiree Companies as at the date of acquisition, 29 November 2019 were:

	2019 Carrying amount RM’000	Fair value RM’000
Property, plant and equipment	3,336	3,336
Inventories	2,692,562	3,325,900
Deferred tax assets	14,059	14,059
Trade and other receivables	268,854	268,854
Cash and cash equivalents	14,877	14,877
Total assets	2,993,688	3,627,026
Deferred tax liabilities	(176,262)	(328,263)
Borrowings	(423,156)	(423,156)
Trade and other payables	(1,852,748)	(1,852,748)
Contract liabilities	(244,737)	(244,737)
Tax payable	(1,684)	(1,684)
Total liabilities	(2,698,587)	(2,850,588)
Net identifiable assets	295,101	776,438

NOTES TO THE FINANCIAL STATEMENTS

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18. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Acquisition of Acquiree Companies (cont'd.)	
	2019 RM'000
Fair value of net identifiable assets	776,438
Less: Non-controlling interest measured at proportionate share of the acquiree's identifiable net assets	(237,701)
Group's interest in fair value of net identifiable assets	538,737
Gain on a bargain purchase (Note 6)	(321,346)
Total purchase consideration	217,391
Total purchase consideration is as follows:	
	2019 RM'000
127,043,000 ICPS issued at RM1.20 each	152,452
Deferred payment	64,939
Total purchase consideration	217,391
The effect of the acquisition on cash flow is as follows:	
	2019 RM'000
Cash and cash equivalents of subsidiaries acquired	14,877
Less: consideration settled in cash	-
Net cash inflow on acquisition	14,877

19. INVESTMENT IN AN ASSOCIATE

		Group	
		2020 RM'000	2019 RM'000
Unquoted shares, at costs		151,552	115,102
Amount due from an associate		-	37,177
Share of post-acquisition results and reserves		4,106	(1,940)
Unrealised profit arising from sale of land to associate		(59,774)	(59,774)
		95,884	90,565
The amount due from an associate represents outstanding amount arising from the Group's proportionate share in the advances and working capital to the associate. The amount due from an associate is unsecured, non-interest bearing and is not repayable within the next twelve (12) months. The Group views these advances as part of the Group's investment in the associate.			
Details of the associate are as follows:			
Name of associate	Country of incorporation	Principal activity	Equity interest held (%) 20202019
Agile Tropicana Development Sdn Bhd ("ATROP")	Malaysia	Property development	3030
The associate has been accounted for using the equity method of accounting.			
During the financial year, ATROP issued 121,500,000 (2019: nil) of redeemable preference shares series ("RPS") of RM1.00 each. The Group subscribed for 30% of the RPS by way of capitalisation of amount due from ATROP.			
The summarised financial information of the associate is as follows:			
		Group	
		2020 RM'000	2019 RM'000
Non-current assets		4,775	7,463
Current assets		828,131	649,263
Non-current liabilities		(259,388)	(259,884)
Current liabilities		(54,658)	(19,637)
Net assets		518,860	377,205
Revenue		132,443	74,825
Profit before tax		20,153	2,730
Profit after tax, representing total comprehensive income		20,153	2,730
Group's share of results		6,046	819

The associate had no contingent liabilities or capital commitments as at 31 December 2020 or 31 December 2019.

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For the financial year ended 31 December 2020

20. INVESTMENTS IN JOINT VENTURES

	Group	
	2020 RM'000	2019 RM'000
Unquoted shares, at cost	144,243	112,471
Amount due from a joint venture	637	17,800
Share of post-acquisition results and reserves	142,082	143,250
Unrealised profits arising from transaction with a joint venture	(8,634)	(8,536)
	278,328	264,985
Represented by:		
Share of net assets	278,328	264,985

The amount due from a joint venture represents outstanding amounts arising from the Group’s proportionate share in the advances and working capital to the joint venture. The amount due from the joint venture is unsecured, non-interest bearing and is not repayable within the next twelve (12) months. The Group views these advances as part of the Group’s investment in the joint venture.

Details of the joint ventures are as follows:

Name of joint ventures	Country of incorporation	Principal activity	Equity interest held (%)	
			2020	2019
Tropicana Danga Cove Sdn Bhd (“TDCSB”)	Malaysia	Property development and property investment	50	50
Tropicana Temokin Sdn Bhd (“TTSB”)	Malaysia	Property development	51	51

All the joint ventures have been accounted for using the equity method of accounting.

During the financial year, TDCSB issued 340,000,000 (2019: 66,500,000) of redeemable preference shares series A (“RPS-A”) of RM0.10 each. The Group subscribed for 50% of the RPS-A for a cash consideration of RM17,000,000 (2019: RM3,325,000).

During the financial year, TTSB issued 28,965,000 (2019: nil) of redeemable non-cumulative preference shares (“RNCPS”) of RM1 each. The Group subscribed for 51% of the RNCPS for RM14,772,150 (2019: RM nil) by way of capitalisation of amount owing by TTSB.

20. INVESTMENTS IN JOINT VENTURES (CONT'D.)

(a) Summarised financial information of the joint ventures that is material to the Group is set out below. The summarised financial information represents the amounts in the financial statements of the joint venture and not the Group’s share of those amounts. The other joint venture is not material to the Group.

(i) Summarised statement of financial position

	TDCSB	
	2020 RM'000	2019 RM'000
Non-current assets	497,341	468,313
Current assets	239,319	157,978
Non-current liabilities	(33,562)	(48,019)
Current liabilities	(162,617)	(68,108)
Net assets	540,481	510,164

(ii) Summarised statement of comprehensive income

	TDCSB	
	2020 RM'000	2019 RM'000
Revenue	121,845	88,974
Profit before tax	14,645	23,836
(Loss)/profit after tax, representing total comprehensive (loss)/income	(3,683)	23,084

(iii) Reconciliation of the summarised financial information presented above to the carrying amount of the Group’s interest in joint venture:

	TDCSB	
	2020 RM'000	2019 RM'000
Net assets as at 1 January	510,164	480,430
(Loss)/profit for the financial year	(3,683)	23,084
	506,481	503,514
Issuance of redeemable preference shares	34,000	6,650
Net assets as at 31 December	540,481	510,164
Interests in joint ventures	50%	50%
Carrying amount of Group’s interests in joint venture	270,241	255,082

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For the financial year ended 31 December 2020

20. INVESTMENTS IN JOINT VENTURES (CONT'D.)

(b)	Information of joint venture that is individually not material is as follows:		
		2020 RM'000	2019 RM'000
	The Group's share of profit/(loss) before tax	1,031	(284)
	The Group's share of profit/(loss) after tax, representing total comprehensive income/(loss)	674	(284)
	Carrying amount of the Group's interest	8,087	9,903
(c)	The joint ventures had no contingent liabilities as at 31 December 2020 and 31 December 2019.		

21. OTHER INVESTMENTS

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
At FVTPL:				
Quoted shares	150,974	-	-	-
Transferable corporate golf club memberships	887	312	887	312
	151,861	312	887	312

22. INTANGIBLE ASSETS

	Goodwill RM'000	Software RM'000	Licenses with indefinite useful life RM'000	Total RM'000
Group Cost				
At 1 January 2020	18,170	1,414	25,643	45,227
Additions	2,353	879	-	3,232
At 31 December 2020	20,523	2,293	25,643	48,459
Amortisation and impairment				
At 1 January 2020	(18,170)	(377)	(25,643)	(44,190)
Amortisation (Note 9)	-	(342)	-	(342)
At 31 December 2020	(18,170)	(719)	(25,643)	(44,532)
Carrying amount	2,353	1,574	-	3,927

22. INTANGIBLE ASSETS (CONT'D.)

	Goodwill RM'000	Software RM'000	Licenses with indefinite useful life RM'000	Total RM'000
Group Cost				
At 1 January 2019	18,170	1,593	25,643	45,406
Adjustments ¹	-	(179)	-	(179)
At 31 December 2019	18,170	1,414	25,643	45,227
Amortisation and impairment				
At 1 January 2019	(18,170)	(106)	-	(18,276)
Amortisation (Note 9)	-	(271)	-	(271)
Impairment loss during the financial year (Note 9)	-	-	(25,643)	(25,643)
At 31 December 2019	(18,170)	(377)	(25,643)	(44,190)
Carrying amount	-	1,037	-	1,037

In the previous financial year, an impairment loss of RM25,643,000 has been recognised in the profit or loss of the Group subsequent to the disposal of assets of the related subsidiaries.

¹ In the previous financial year, the Group has finalised certain costs incurred for the intangible assets amounting to RM179,000.

(a) Key assumptions used in value-in-use calculations

The recoverable amounts of the CGUs have been determined based on value-in-use calculations using cash flow projections based on financial budgets approved by management.

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill.

- (i) Budgeted gross margin
- The basis used to determine the value assigned to the budgeted gross margin is the average rate achieved in the financial year immediately before the budgeted year increased for expected efficiency improvements.
- (ii) Pre-tax discount rate
- The discount rates used are pre-tax ranging from 7% to 8% (2019: 7% to 8%) and reflect specific risks relating to the relevant segments.

(b) Sensitivity to changes in assumptions

With regard to the assessment of value-in-use of the CGUs, management believes that no reasonable possible change in any of the above key assumptions would cause the carrying amounts of the unit to materially differ from its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

23. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Non-current				
Other receivables				
Sundry receivables	12,809	5,118	-	-
Security retainers accumulation fund (Note 23(b)(i))	5,263	5,176	-	-
Amount due from a subsidiary (Note 23(b)(ii))	-	-	1,207,389	389
	18,072	10,294	1,207,389	389
Current				
Trade receivables				
Third parties	274,223	238,982	-	-
Amounts due from subsidiaries	-	-	34,184	37,590
Less: Accumulated impairment losses	(7,250)	(8,860)	-	-
Trade receivables, net	266,973	230,122	34,184	37,590
Other receivables				
Sundry receivables	113,574	102,019	27,729	23,995
Deposits (Note 23(b)(iii))	142,217	115,153	247	764
Prepayments	4,527	7,373	24	22
Amounts due from subsidiaries (Note 23(b)(ii))	-	-	1,532,892	1,500,774
Amounts due from joint ventures (Note 23(b)(ii))	3,838	1,207	6	-
Less: Accumulated impairment losses (Note 23(b)(v))				
- Sundry receivables	(13,059)	(13,119)	(8,859)	(8,859)
	251,097	212,633	1,552,039	1,516,696
	518,070	442,755	1,586,223	1,554,286
Total trade and other receivables	536,142	453,049	2,793,612	1,554,675

23. TRADE AND OTHER RECEIVABLES (CONT'D.)

(a) Trade receivables

The Group's and the Company's normal trade credit term ranges from 7 to 180 days (2019: 7 to 180 days) and 30 days (2019: 30 days) respectively. Other credit terms are assessed and approved on a case-to-case basis. Trade receivables are non-interest bearing and are recognised at their original invoice amounts which represent their fair values on initial recognition.

The Group and the Company have no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors.

Ageing analysis of trade receivables

The ageing analysis of the Group's and of the Company's trade receivables are as follows:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Neither past due nor impaired	134,508	176,697	844	4,801
1 to 30 days past due but not impaired	22,848	21,934	1,068	2,309
31 to 60 days past due but not impaired	17,810	3,523	965	160
61 to 90 days past due but not impaired	157	2,700	882	1,975
91 to 120 days past due but not impaired	9,186	2,366	822	2,125
More than 121 days past due but not impaired	82,464	22,902	29,603	26,220
Total past due but not impaired	132,465	53,425	33,340	32,789
Impaired	7,250	8,860	-	-
	274,223	238,982	34,184	37,590

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group and the Company.

None of the Group's and of the Company's trade receivables that are neither past due nor impaired have been renegotiated during the current and previous financial year.

Receivables that are past due but not impaired

The receivables that are past due but not impaired are mainly related to the progress billings to be settled by the end-buyers' financiers. However, the directors are of the opinion that these debts should be realised in full without material losses in the ordinary course of business as the legal title to the properties sold remain with the Group and the Company until the purchase consideration is fully paid.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

23. TRADE AND OTHER RECEIVABLES (CONT'D.)

(a) Trade receivables (cont'd.)

Receivables that are impaired

The Group’s trade receivables that are individually impaired at the reporting date and the movement of the accumulated impairment losses is as follows:

	Group	
	Individually impaired	
	2020	2019
	RM'000	RM'000
Trade receivables - nominal amount	7,250	8,860
Less: Accumulated impairment losses	(7,250)	(8,860)
	-	-

Movement in the accumulated impairment losses:

	Group	
	2020	2019
	RM'000	RM'000
At 1 January	8,860	8,490
Charge for the financial year	2,717	782
Reversal of impairment loss	(4,327)	(412)
At 31 December	7,250	8,860

Trade receivables that are individually determined to be impaired at the end of the financial year relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

(b) Other receivables

- (i) Security retainers accumulation fund

	Group	
	2020	2019
	RM'000	RM'000
At 1 January	5,176	4,971
Unrealised returns (Note 9)	98	216
	5,274	5,187
Less: Amortisation for the financial year (Note 9)	(11)	(11)
At 31 December	5,263	5,176

23. TRADE AND OTHER RECEIVABLES (CONT'D.)

(b) Other receivables (cont'd.)

- (i) Security retainers accumulation fund (cont'd.)

The security retainers accumulation fund of the golf and country resort of the Group relates to the unamortised portion of the single premium paid for the purchase of a Group Endowment with Profits’ policy from a local insurer in 1994 and the unrealised returns accrues annually to this policy on a cumulative basis.

The total accumulated returns together with the insured sum will only be received upon maturity of the said policy on 2 October 2051. The purpose of this scheme is to provide the Group with funds to repay the security retainers received from members of the golf and country resort of the Group, who were registered prior to January 1993, at the end of their membership license term on 9 October 2051.

- (ii) Amounts due from subsidiaries and joint ventures

The amounts due from subsidiaries of the Company amounting to RM1,207,000,000 (2019: RM80,775,234) bore interest ranging from 5.45% to 5.80% (2019: 4.93% to 7.45%) per annum during the financial year. The balances of the amount are non-trade in nature, unsecured, non-interest bearing and have no fixed terms of repayment except for these amounts classified as non-current which are not expected to be repaid within the foreseeable future. Further details on related party transactions are disclosed in Note 37.

The amounts due from joint ventures are non-trade in nature, unsecured, non-interest bearing and have no fixed terms of repayment.

- (iii) Included in deposits of the Group are:

- (a) deposits paid for the acquisition of land and buildings amounting to RM40,249,000 (2019: RM38,612,000); and
- (b) deposits paid for subscription of shares amounting to RM55,421,000 (2019: RM48,400,000).

- (iv) The Group and the Company have no significant concentration of credit risk included under sundry receivables that may arise from exposures to a single debtor or to group of debtors except for amounts due from subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

23. TRADE AND OTHER RECEIVABLES (CONT'D.)

(b) Other receivables (cont'd.)		Group		Company	
		2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
(v) Accumulated impairment loss					
Movement as follows:					
At 1 January		13,119	19,014	8,859	8,859
Charge for the financial year		1	806	-	-
Reversal for the financial year		(61)	(6,701)	-	-
At 31 December		13,059	13,119	8,859	8,859

24. CONTRACT ASSETS

	Group	
	2020 RM'000	2019 RM'000
Non-current		
Accrued billings in respect of sales of development properties	-	18,675
Current		
Accrued billings in respect of sales of development properties	296,033	283,579
Amounts due from contract customers (Note 24(a))	2,631	1,457
	298,664	285,036
Total contract assets	298,664	303,711

(a) Amounts due from contract customers		Group	
		2020 RM'000	2019 RM'000
Aggregate cost incurred to date		33,080	10,561
Attributable profits		7,338	1,436
		40,418	11,997
Less: Progress billings		(37,787)	(10,540)
Amounts due from contract customers		2,631	1,457

25. CONTRACT COST ASSETS

	Group	
	2020 RM'000	2019 RM'000
Contract cost assets		
Costs to fulfill a contract	23,890	14,128
Costs to obtain contracts with customers	16,805	6,424
	40,695	20,552
Costs to fulfill a contract		
At 1 January	14,128	38,324
Additions	144,928	241,930
Transfer from inventories (Note 16(b))	148,188	139,076
Amortisation for the financial year	(283,354)	(405,202)
At 31 December	23,890	14,128
Costs to obtain contracts with customers		
At 1 January	6,424	8,192
Additions	25,435	10,048
Amortisation for the financial year	(15,054)	(11,816)
At 31 December	16,805	6,424

Certain costs to fulfill a contract with carrying amount of RM7,988,000 (2019: RM13,023,000) are pledged as securities for bank borrowings as disclosed in Note 32.

26. CASH AND BANK BALANCES

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Deposits with licensed banks	148,191	160,485	50,344	39,715
Cash in hand and at banks	473,701	594,464	14,631	12,296
Cash and bank balances (Note 47)	621,892	754,949	64,975	52,011
For the purpose of statements of cash flows:				
Cash and bank balances	621,892	754,949	64,975	52,011
Less:				
- Cash and bank balances not available for use	(198,188)	(163,611)	(57,387)	(36,634)
- Bank overdrafts (Note 32)	(19,612)	-	(19,612)	-
Total cash and cash equivalents	404,092	591,338	(12,024)	15,377

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

26. CASH AND BANK BALANCES (CONT'D.)

The interest rates for the deposits with licensed banks range from 1.20% to 3.90% (2019: 2.65% to 4.38%) per annum and the maturities of deposits as at the end of the financial year range from 1 to 366 days (2019: 1 to 365 days).

Included in cash at banks of the Group are amounts of RM220,537,000 (2019: RM362,211,000) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966 and are therefore restricted from use in other operations.

Cash and bank balances not available for use of the Group and of the Company are:

- (i) Deposits of the Group held in trust by a trustee of RM18,264,000 (2019: RM15,965,000) for golf course members’ subscription fees.
- (ii) Deposits of the Group and of the Company amounting to RM3,794,000 (2019: RM17,883,000) and RM860,000 (2019: RM790,000) respectively which are pledged as securities for bank guarantees granted to the Group and to the Company.
- (iii) Deposits of the Group and of the Company amounting to RM117,449,000 (2019: RM91,026,000) and RM45,534,000 (2019: RM35,038,000) respectively which are pledged as securities for banking facilities granted to the Group and the Company.
- (iv) Placements of debt service reserve and escrow accounts of the Group and of the Company amounting to RM58,681,000 (2019: RM38,737,000) and RM10,993,000 (2019: RM806,000) respectively which are pledged as securities for term loans granted to the Group and the Company.

27. ASSETS CLASSIFIED AS HELD FOR SALE

	Group	
	2020	2019
	RM'000	RM'000
At 1 January	75,700	59,100
Transfer from investment properties (Note 17)	-	75,700
Disposals	(75,700)	(59,100)
At 31 December	-	75,700

The details of the assets classified as held for sale are as follows:

- (i) On 1 August 2019, Daya Petaling Sdn Bhd, a wholly-owned subsidiary, entered into a sale and purchase agreement to dispose a land with 8-storey commercial building with a basement car park erected on the land known as “Intan Square” in Selangor for a total cash consideration amounting to RM27,500,000. The said disposal has been duly completed during the financial year.
- (ii) On 20 September 2019, Tropicana Properties (Klang) Sdn Bhd, a wholly-owned subsidiary, entered into a sale and purchase agreement to dispose a land with 10-storey building erected on the land known as “Casa Klang” in Selangor for a total cash consideration amounting to RM30,000,000. The said disposal has been duly completed during the financial year.
- (iii) On 6 December 2019, Tropicana Sinaran Sdn Bhd (fka Tropicana Properties (Keningau) Sdn Bhd), a wholly-owned subsidiary, entered into a sale and purchase agreement to dispose a land with 2-storey commercial building erected on the land known as “Kelab Rekreasi Keningau” in Sabah for a total cash consideration amounting to RM6,200,000. The said disposal has been duly completed during the financial year.
- (iv) On 31 December 2019, Tropicana Lido Development Sdn Bhd, a wholly-owned subsidiary, entered into a sale and purchase agreement to dispose 5 parcels of land in Sabah for a total cash consideration amounting to RM12,000,000. The said disposal has been duly completed during the financial year.

The freehold and leasehold land with aggregate carrying amounts of RM nil (2019: RM63,700,000) are pledged as securities for bank borrowings as disclosed in Note 32.

28. SHARE CAPITAL AND TREASURY SHARES

	Number of ordinary shares		Amount			
	Share capital (Issued)		Share capital		Treasury shares	
	2020	2019	2020	2019	2020	2019
	'000	'000	RM'000	RM'000	RM'000	RM'000
Group and Company						
At 1 January	1,470,425	1,470,417	2,044,322	2,044,314	(13,648)	(25,094)
Issuance of ordinary shares:						
- pursuant to warrants exercise	-	8	-	8	-	-
Purchase of treasury shares	-	-	-	-	(47,063)	(26,725)
Distribution of treasury shares	-	-	-	-	53,829	38,171
At 31 December	1,470,425	1,470,425	2,044,322	2,044,322	(6,882)	(13,648)

(a) Treasury shares

During the financial year, the Company:

- (i) repurchased 55,991,500 of its issued ordinary shares from the open market at an average price of RM0.84 per share. The shares repurchased are being held as treasury shares in accordance with Section 127 of the Companies Act 2016; and
- (ii) declared a first interim single-tier share dividend in respect of the financial year ended 31 December 2020 paid by way of distribution of 63,104,998 treasury shares on the basis of 4.5 treasury shares for every 100 existing ordinary shares held in the Company. The treasury shares were repurchased at an average price of RM0.85 per share.

As at 31 December 2020, the number of treasury shares held are 8,378,243 ordinary shares. Such treasury shares are held at carrying amount of RM6,882,000 (2019: RM13,648,000).

29. OTHER RESERVES

(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 presentation currency of the Group.

(b) Warrants 2009/2019 reserve

On 9 December 2009, the Company had issued 129,812,791 free detachable Warrants 2009/2019. The Warrants are constituted by the Deed Poll dated 28 October 2009.

On 18 October 2013, the Company had issued additional 30,894,707 Warrants 2009/2019 pursuant to the adjustment to the Warrants 2009/2019 as a result of the Rights Issue with Bonus Shares.

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For the financial year ended 31 December 2020

29. OTHER RESERVES (CONT'D.)

(b) Warrants 2009/2019 reserve (cont'd.)

The main features of the Warrants are as follows:

- (i) each Warrant entitles the holder to subscribe for 1 new ordinary share in Tropicana at a price of RM1 per share;
- (ii) the Warrants may be exercised at any time up to 8 December 2019; and
- (iii) the shares arising from the exercise of Warrants shall rank pari passu in all respects with the existing ordinary shares of the Company, save and except that the new shares shall not be entitled to any dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the allotment date of the new shares.

Warrants 2009/2019 had expired on 6 December 2019.

(c) Retained earnings

The entire retained earnings of the Company are available for distribution as single-tier dividends.

30. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES AND PERPETUAL BOND

Irredeemable Convertible Preference Shares

The value of Irredeemable Convertible Preference Shares ("ICPS") has been split into the liability component and equity component. The ICPS are accounted for in the statements of financial position of the Group and of the Company as follows:

	Number of ICPS '000	Equity component RM'000	Liability component RM'000	Total RM'000
Group and Company				
At 1 January 2020	982,386	1,004,593	174,270	1,178,863
Accretion of interest on ICPS (Note 8)	-	-	15,118	15,118
Dividend payable	-	-	(11,788)	(11,788)
At 31 December 2020	982,386	1,004,593	177,600	1,182,193
At 1 January 2019	-	-	-	-
Shares issued for acquisition of subsidiaries	982,386	1,004,593	174,270	1,178,863
At 31 December 2019	982,386	1,004,593	174,270	1,178,863

The salient terms of the ICPS were as follows:

(a) Issue

The ICPS shall be irredeemable convertible preference shares and each ICPS confers on the ICPS Holder for the time being the rights, privileges and restriction set out in this Constitution.

30. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES AND PERPETUAL BOND (CONT'D.)

Irredeemable Convertible Preference Shares (cont'd.)

The salient terms of the ICPS were as follows: (cont'd.)

(b) Dividend

The ICPS in the share capital carries an annual cumulative preferential dividend at the following rates:

Period	Rate
From the Issue Date up to and including the first (1 st) anniversary	1.0% based on the Issue Price of the ICPS
From the date after the first (1 st) anniversary up to and including the second (2 nd) anniversary	1.5% based on the Issue Price of the ICPS
From the date after the second (2 nd) anniversary up to and including the fifth (5 th) anniversary	2.0% based on the Issue Price of the ICPS
From the date after the fifth (5 th) anniversary up to the Market Day immediately preceding the tenth (10 th) anniversary from the Issue Date ("Maturity Date")	3.0% based on the Issue Price of the ICPS

Subject to availability of profits and compliance with the Act, the dividend in respect of the ICPS will be payable in arrears on a semi-annual basis. To the extent that the dividends or any part thereof is not declared or paid on a semi-annual basis, after the date on which the ICPS are first issued, it will continue to accumulate and be declared and paid on a cumulative basis no later than the Maturity Date, subject to availability of profits and compliance with the Act.

(c) Ranking of the ICPS

The ICPS will upon allotment and issue, rank equally amongst themselves, and will rank ahead in priority to the holders of the ordinary shares and all other classes of shares (if any) in the Company, in respect of payment out of the assets of the Company upon any liquidation, dissolution or winding up of the Company, provided always that the Board approves such payment out of the assets of the Company on this basis and further affirms the priority of payment to the ICPS Holder.

The ICPS will rank subordinated to all the Company's creditors in respect of payment of debt and payments out of assets of the Company upon liquidation, dissolution, or winding up of the Company.

Notwithstanding anything to the contrary herein, the Board shall not issue any preference shares (other than additional ICPS) which rank equally with or in priority to, the ICPS unless the issue of such securities has first been approved by the ICPS Holders by way of an ordinary resolution of such holders.

(d) Conversion

(i) Entitlement to Convert

Each ICPS Holder shall, on any Market Day during the period commencing on the Issue Date and ending on the Maturity Date be entitled to require the Company to convert all or any of the ICPS registered in his name into such number of fully converted ordinary shares in the share capital of the Company, without the payment of any consideration (cash or otherwise), at the conversion ratio as at that date referred in Clause 20A(d)(ii) herein, by giving a notice to convert to the Company under Clause 20A(d)(iii).

Any remaining ICPS that are not converted by the Maturity Date shall be automatically converted into new ordinary shares based on the conversion ratio during the 2nd Conversion Period.

No fraction of ordinary shares arising on conversion of the ICPS will be allotted to the ICPS Holder entitled thereto and any such fraction will be rounded down.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

30. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES AND PERPETUAL BOND (CONT'D.)

Irredeemable Convertible Preference Shares (cont'd.)	
The salient terms of the ICPS were as follows: (cont'd.)	
(d)	Conversion (cont'd.)
(ii)	Conversion Ratio
The conversion ratio is fixed as follows:	
<div><div>-</div><div>for conversion at any time during the period from the Issue Date up to the fifth (5th) anniversary, the conversion ratio will be one (1) ICPS for one (1) ordinary share; and</div></div>	
<div><div>-</div><div>for conversion at any time during the period after the fifth (5th) anniversary of the Issue Date up to the Maturity Date, the conversion ratio will be five (5) ICPS for six (6) ordinary shares.</div></div>	
The conversion ratio will be subject to any necessary adjustments from time to time, at the determination of the Board, in the event of any alteration to the Company's share capital, whether by way of rights issue, capitalisation issue, consolidation of shares, subdivision of shares or reduction of capital howsoever being effected, in accordance with the provisions of the Constitution of the Company. The Company will give notice in writing to the ICPS holders of its intention to make such adjustments to the conversion ratio.	
If the conversion results in a fractional entitlement to new ordinary shares, such fractional entitlement will be disregarded and no refund or credit, whether in the form of ICPS, cash or otherwise, will be given in respect of the disregarded fractional entitlement.	
(iii)	Conversion Process
The conversion of the ICPS shall be exercised by ICPS Holder delivering a duly completed and signed notice to convert to the share registrar of the Company.	
The notice to convert shall be in such form as may be prescribed from time to time by the Company or in accordance with Applicable Laws ("Conversion Notice").	
A holder of ICPS who has issued a Conversion Notice ("Converting ICPS Holder") shall furnish to the Company such supporting documents or information as may be prescribed by the Company or as may be required under Applicable Laws.	
The duly completed and valid Conversion Notice shall be irrevocable after receipt thereof by the share registrar of the Company and the right to receive any preferential dividends referred to in the Constitution relating to the ICPS that have been converted into ordinary shares shall cease as from the date of issue and allotment of the new ordinary shares.	
Subject to Applicable Laws, within eight (8) Market Days from the date of receipt by the Company of a Conversion Notice or such other period as may be prescribed or allowed by the Exchange, the Company shall:	
<div><div>-</div><div>allot and issue to the relevant Converting ICPS Holders, such number of ordinary shares to which such holders are entitled to receive, credited as fully paid-up ("Conversion Shares"), and shall cause the Securities Account of the said holders to be credited with such number of Conversion Shares;</div></div>	
<div><div>-</div><div>despatch a notice of allotment to the relevant Converting ICPS Holders in respect of the Conversion Shares; and</div></div>	
<div><div>-</div><div>make an application to the Exchange for the listing of and quotation for the Conversion Shares.</div></div>	

30. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES AND PERPETUAL BOND (CONT'D.)

Irredeemable Convertible Preference Shares (cont'd.)	
The salient terms of the ICPS were as follows: (cont'd.)	
(e)	Ranking of the new ordinary shares
The new ordinary shares to be issued upon conversion of the ICPS shall, upon allotment and issue, rank equally in all respects with the existing issued ordinary shares including the entitlements to dividends, rights, allotments or other distributions, except that the new ordinary shares shall not be entitled to any dividends, rights, allotments and/or other distributions of which may be declared, made or paid, the entitlement date is before the date of allotment of such new ordinary shares.	
(f)	Redemption
The ICPS shall not be redeemable.	
(g)	Transferability
The ICPS shall be transferable and shall be subject to the same provisions of transferability of ordinary shares as are set out in the Constitution of the Company.	
(h)	Meeting and Voting Rights
Each ICPS Holder shall have the right to receive notices, annual reports and audited financial statements and attending in person or proxy, at any general meetings of the Company but shall not be entitled to speak, vote, move resolutions in any way except at a meeting convened in respect of any proposal or resolution made:	
(i)	when the dividend or part of the dividend on the ICPS is in arrears for more than six (6) months;
(ii)	on a proposal to reduce the Company's share capital;
(iii)	on a proposal for the disposal of the whole of the Company's property, business and undertaking;
(iv)	on a proposal that affects the rights and privileges attached to the ICPS;
(v)	on a proposal to wind up the Company; and
(vi)	during the winding up of the Company.
The abovementioned proposal shall subject to the sanction of a resolution passed at a separate meeting of the ICPS Holders. A separate meeting of ICPS Holders shall be convened in respect of the abovementioned proposal or resolution, for the ICPS Holders to speak and vote at such meeting. To every such separate meeting, the provisions of this Constitution relating to general meetings shall mutatis mutandis apply, except that in the case of having only one ICPS Holder, one ICPS Holder personally present at a meeting shall constitute a quorum.	

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

30. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES AND PERPETUAL BOND (CONT'D.)

Irredeemable Convertible Preference Shares (cont'd.)

The salient terms of the ICPS were as follows: (cont'd.)

(i) Variation of Rights

No alteration, variation, amendment, addition, deletion or substitution to the provisions of this Clause 20A shall be made unless the Company shall have obtained the written consent of the ICPS Holders representing not less than seventy-five per cent (75%) of the total voting rights of the ICPS Holder or the sanction of a special resolution passed at a separate meeting of the ICPS Holders.

While any ICPS remains unconverted into ordinary shares, no resolution shall be passed for reducing the share capital of the Company, unless the Company shall have obtained the written consent of the ICPS Holders representing not less than seventy-five per cent (75%) of the total voting rights of the ICPS Holder or the sanction of a special resolution passed at a separate meeting of the ICPS Holders.

To every such separate meeting, the provisions of this Constitution relating to general meetings shall mutatis mutandis apply except that in the case of having only one ICPS Holder, one ICPS Holder personally present at a meeting shall constitute a quorum.

(j) Priority in winding up

On winding up or repayment of capital, the ICPS Holder shall be entitled to repayment of the capital paid up on these ICPS (together with a sum equal to any arrears or deficiency of the fixed dividend, whether declared or earned or not, calculated down to the date of the return of capital) in priority to any payment to the holders of the ordinary shares.

(k) Listing Status

The ICPS will not be listed on the Main Market of the Exchange. The new ordinary shares in the Company to be issued upon the conversion of ICPS will be listed and quoted on the Main Market of the Exchange.

(l) Governing Law

The ICPS will be governed under the laws of Malaysia.

Perpetual bond

	Group and Company	
	2020	2019
	RM'000	RM'000
At 1 January	252,661	-
Issuance of perpetual bond	-	248,000
Distribution for the financial year	17,361	4,661
Distribution paid for the financial year	(17,409)	-
At 31 December	252,613	252,661

On 25 September 2019, the Company issued a total of RM248 million in nominal value of senior unrated Perpetual Sukuk (“**Sukuk Musharakah**”) pursuant to a Sukuk Musharakah Programme (“**Perpetual bond**”) of up to RM2 billion in nominal value. The Perpetual bond is established to raise funds as and when required to be utilised for Shariah-compliant purposes which include refinancing existing financing/ debt obligations (whether in whole or in part), and/or to finance working capital requirements, investments, capital expenditure and/or general corporate purposes of the Group.

30. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES AND PERPETUAL BOND (CONT'D.)

Perpetual bond (cont'd.)

The salient features of the Perpetual bond were as follows:

(i) the Perpetual bond is issued under the Shariah principle of Musharakah;

(ii) perpetual in tenure, where the Company has a call option to redeem the Perpetual bond at the end of the 5th year and on each periodic distribution date thereafter;

(iii) the Company also has the option to redeem the Perpetual bond upon the occurrence of an Accounting Event, Tax Event and/or any Stepped Up Event;

(iv) the expected periodic distribution up to year 5 is 7% per annum payable semi-annually. If the Company does not exercise its option to redeem at the end of the 5th year, the periodic distribution increases by 2% per annum in year 6 and subsequently the periodic distribution increases by 1% per annum in year 7 onwards and subject to a maximum rate of 15% per annum;

(v) deferred periodic distribution, if any, will be cumulative and shall be added for the purpose of calculating the Additional Periodic Distribution Amount;

(vi) payment obligations on the Perpetual bond will at all times, rank ahead of the holders of Junior Obligations of the Company and rank pari passu with all other present and future unsecured, unconditional and unsubordinated obligations of the Company; and

(vii) the Perpetual bond is not rated and is unsecured.

(viii) Accounting Event

If as a result of any changes or amendments to the Malaysian Financial Reporting Standards (“**MFRS**”) in Malaysia or any other accounting standards that may replace MFRS for the purposes of the Issuer’s consolidated financial statements, the Sukuk Musharakah are no longer recorded, or will no longer be recorded entirely as “equity” pursuant to the Relevant Accounting Standard, an Accounting Event shall have occurred.

(ix) Tax Event

If the Issuer has or will become obliged to pay additional amounts of tax (“**Additional Amounts**”) or increase the payment of such Additional Amounts or the Expected Periodic Distribution Amount made by the Issuer would not in the immediately following Periodic Distribution Date be fully tax deductible by the Issuer for Malaysian income tax purposes as a result of:

(a) any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements of Malaysia) or any political subdivision or any authority thereof or therein having power to tax; or

(b) any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements.

Which change or amendment is made public on or after the issue date of the relevant Sukuk Musharakah and such obligations cannot be avoided by the Issuer taking reasonable measures available to it, then a Tax Event shall have occurred.

(x) Stepped Up Event

The Periodic Distribution Rate of the Sukuk Musharakah shall be stepped up to the Maximum Rate from the expiry of 45 days period from the date any of the Stepped Up Events first occurred until such Stepped Up Event ceases to subsist.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

31. DEFERRED TAX LIABILITIES/(ASSETS)

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
At 1 January	393,707	107,889	(811)	(771)
Acquisition of subsidiaries	-	314,204	-	-
Recognised in profit or loss (Note 12)	27,308	(28,386)	114	(40)
At 31 December	421,015	393,707	(697)	(811)

Deferred income tax as at 31 December relates to the following:

	Contract liabilities RM'000	Provision for liabilities RM'000	Unused tax losses and unabsorbed capital allowances RM'000	Unrealised profit from transactions RM'000	Others RM'000	Total RM'000
Group						
Deferred tax assets:						
At 1 January 2020	(17,745)	(95,836)	(6,011)	(39,012)	(2,574)	(161,178)
Recognised in profit or loss	2,781	22,563	(49,232)	-	(24,668)	(48,556)
At 31 December 2020	(14,964)	(73,273)	(55,243)	(39,012)	(27,242)	(209,734)
At 1 January 2019	-	(84,422)	(143)	(31,280)	(5,089)	(120,934)
Acquisition of subsidiaries	-	-	(14,059)	-	-	(14,059)
Recognised in profit or loss	(17,745)	(11,414)	8,191	(7,732)	2,515	(26,185)
At 31 December 2019	(17,745)	(95,836)	(6,011)	(39,012)	(2,574)	(161,178)

	Accelerated capital allowances RM'000	Fair value adjustment on business combination RM'000	Fair value changes to investment properties RM'000	Property development costs RM'000	Total RM'000
Group					
Deferred tax liabilities:					
At 1 January 2020	9,453	497,653	5,168	42,611	554,885
Recognised in profit or loss	(11,133)	-	51,826	35,171	75,864
At 31 December 2020	(1,680)	497,653	56,994	77,782	630,749
At 1 January 2019	10,868	169,390	6,680	41,885	228,823
Acquisition of a subsidiary	-	328,263	-	-	328,263
Recognised in profit or loss	(1,415)	-	(1,512)	726	(2,201)
At 31 December 2019	9,453	497,653	5,168	42,611	554,885

31. DEFERRED TAX LIABILITIES/(ASSETS) (CONT'D.)

Deferred income tax as at 31 December relates to the following: (cont'd.)

	Provision for liabilities RM'000
Company	
Deferred tax asset:	
At 1 January 2020	(900)
Recognised in profit or loss	141
At 31 December 2020	(759)
At 1 January 2019	(901)
Recognised in profit or loss	1
At 31 December 2019	(900)
Deferred tax liability:	
At 1 January 2020	89
Recognised in profit or loss	(27)
At 31 December 2020	62
At 1 January 2019	130
Recognised in profit or loss	(41)
At 31 December 2019	89

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Presented after appropriate offsetting as follows:				
Deferred tax assets	(122,862)	(111,348)	(697)	(811)
Deferred tax liabilities	543,877	505,055	-	-
	421,015	393,707	(697)	(811)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

32. BORROWINGS

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Non-current				
Secured:				
Bridging loans	-	1,970	-	-
Revolving credits	165,260	-	-	-
Term loans	1,729,912	1,591,310	317,710	128,800
Islamic Medium Term Notes (Note 32(b))	1,207,000	-	1,207,000	-
Hire purchase (Note 32(a))	-	295	-	199
Less: Unamortised borrowing costs	(24,130)	(16,663)	(406)	(895)
	3,078,042	1,576,912	1,524,304	128,104
Current				
Secured:				
Bridging loans	-	237,284	-	-
Revolving credits	272,386	358,160	99,750	190,420
Term loans	205,456	352,760	28,567	18,160
Hire purchase (Note 32(a))	-	426	-	44
Bank overdrafts (Note 26)	19,612	-	19,612	-
Margin account	29,480	-	-	-
Less: Unamortised borrowing costs	(8,205)	(6,427)	(472)	(638)
	518,729	942,203	147,457	207,986
Total borrowings				
Secured:				
Bridging loans	-	239,254	-	-
Revolving credits	437,646	358,160	99,750	190,420
Term loans	1,935,368	1,944,070	346,277	146,960
Islamic Medium Term Notes (Note 32(b))	1,207,000	-	1,207,000	-
Hire purchase (Note 32(a))	-	721	-	243
Bank overdrafts (Note 26)	19,612	-	19,612	-
Margin account	29,480	-	-	-
Less: Unamortised borrowing costs	(32,335)	(23,090)	(878)	(1,533)
	3,596,771	2,519,115	1,671,761	336,090
Unamortised borrowing costs:				
At 1 January	23,090	22,648	1,533	2,259
Incurred during the financial year	20,161	10,497	-	-
Amortisation for the financial year (Note 8)	(10,916)	(10,055)	(655)	(726)
At 31 December	32,335	23,090	878	1,533

32. BORROWINGS (CONT'D.)

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Maturities of borrowings:				
Not later than 1 year	526,934	948,630	147,929	208,624
Later than 1 year and not later than 5 years	2,476,894	1,081,020	1,324,710	128,999
More than 5 years	625,278	512,555	200,000	-
Less: Unamortised borrowing costs	(32,335)	(23,090)	(878)	(1,533)
Total	3,596,771	2,519,115	1,671,761	336,090

The range of interest rates per annum at the reporting date for borrowings were as follows:

	2020	2019
	%	%
Bridging loans	3.94 - 5.45	4.92 - 6.05
Revolving credits	3.20 - 7.20	4.93 - 7.45
Term loans	3.75 - 6.12	4.92 - 9.21
Islamic Medium Term Notes	5.45 - 5.80	-
Bank overdrafts	6.71 - 6.96	6.56 - 6.96
Margin account	3.40 - 5.45	-

The bridging loans, revolving credits and term loans of the Group and of the Company are secured by certain assets of the Group and of the Company as follows:

- (a) fixed charge over certain property, plant and equipment as disclosed in Note 15;
- (b) fixed charge over certain inventories as disclosed in Note 16;
- (c) fixed charge over certain investment properties as disclosed in Note 17;
- (d) fixed charge over certain contract cost assets as disclosed in Note 25;
- (e) fixed charge over certain assets classified as held for sale as disclosed in Note 27;
- (f) fixed charge over certain right-of-use assets as disclosed in Note 35;
- (g) legal assignment of all cashflows, sale or tenancy agreements, insurance policies, construction contracts, construction guarantees and performance bonds in relation to certain projects developed by subsidiaries;
- (h) fixed and floating charge over the assets of certain subsidiaries;
- (i) specific debentures creating fixed and floating charges over certain Charged Properties of the Company and certain subsidiaries of the Group; and
- (j) corporate guarantees provided by the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

32. BORROWINGS (CONT'D.)

Other information on financial risks of borrowings are disclosed in Note 40.

	Company	
	2020	2019
	RM'000	RM'000
Unsecured corporate guarantees given to banks for credit facilities granted to:		
- Subsidiaries	2,104,250	2,341,307
- Joint ventures	39,164	28,524
- Associate	77,817	83,965
	2,221,231	2,453,796

As at 31 December 2020, the Group has the following undrawn banking facilities:

	Group	
	2020	2019
	RM'000	RM'000
Banking facilities obtained by the subsidiaries	386,250	314,955
Banking facilities obtained by the joint ventures	103,324	40,281
Banking facilities obtained by the associate	220,000	200,000

(a) Hire purchase

The Group has finance leases for certain items of property, plant and equipment. Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows:

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Minimum lease payments:				
Not later than 1 year	-	462	-	54
Later than 1 year but not later than 2 years	-	150	-	82
Later than 2 years but not later than 5 years	-	164	-	129
Total minimum lease payments	-	776	-	265
Less: Amount representing finance charges	-	(55)	-	(22)
Present value of minimum lease payments	-	721	-	243

32. BORROWINGS (CONT'D.)

(a) Hire purchase (cont'd.)

The Group has finance leases for certain items of property, plant and equipment. Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows: (cont'd.)

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Present value of payments:				
Not later than 1 year	-	426	-	44
Later than 1 year but not later than 2 years	-	139	-	74
Later than 2 years but not later than 5 years	-	156	-	125
Present value of minimum lease payments	-	721	-	243
Less: Amount due within 12 months	-	(426)	-	(44)
Amount due after 12 months	-	295	-	199

These obligations are secured by charge over the leased property, plant and equipment as disclosed in Note 15. In the previous financial year, the discount rates implicit in the leases range from 4.15% to 9.25%.

(b) Islamic Medium Term Notes

On 22 April 2020, the Company had lodged the proposed establishment of a rated Islamic Medium Term Notes Programme of up to RM1.5 billion in nominal value based on the Shariah principles of Wakalah Bi Al-Istithmar and Murabahah (via Tawarruq arrangement) (“**Sukuk Wakalah Programme**”) with the Securities Commission Malaysia (“**SC**”) pursuant to the SC’s Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework (issued by the SC on 9 March 2015 and revised on 26 November 2019, as amended from time to time).

The Sukuk Wakalah Programme allows for the issuance of rated and senior ranking sukuk (“**Sukuk Wakalah**”) from time to time, with flexibility for the Company to issue secured and/or unsecured Sukuk Wakalah subject to the aggregate outstanding nominal amount of the Sukuk Wakalah not exceeding RM1.5 billion at any point in time.

During the financial year ended 31 December 2020, the Company had issued the Sukuk Wakalah as follows:

Tranche No	Date of issuance	Amount (RM'000)	Yield-to-maturity (per annum)	Tenure year
1	14 May 2020	200,000	5.80%	7
2	30 June 2020	465,500	5.50%	3
2	30 June 2020	123,500	5.65%	5
3	3 September 2020	100,000	5.65%	5
4	8 October 2020	179,000	5.45%	3
4	8 October 2020	139,000	5.65%	5
		1,207,000		

The Sukuk Wakalah is secured by third party legal charge over the lands held under inventories as disclosed in Note 16 and financial service reserve account as disclosed in Note 26.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

32. BORROWINGS (CONT'D.)

(b) Islamic Medium Term Notes (cont'd.)

The proceeds from the issuance of the Sukuk Wakalah shall be utilised by the Company for the following Shariah-compliant purposes in the following order of priority:

- (i) repayment of existing financing/borrowings to unencumber the secured properties; and
- (ii) defraying fees, costs and expenses in relation to the issuance of the Sukuk Wakalah and Sukuk Wakalah Programme.

The remaining proceeds after (i) and (ii) above shall be utilised by the Company for the following Shariah-compliant purposes:

- (a) capital expenditure and/or investments (including but not limited to the purchase of land(s), building(s), shares, property and/or payment into joint ventures) of the Company and/or its group of companies;
- (b) working capital of the Company and/or its group of companies;
- (c) refinancing of existing financing/borrowings of the Company or its group of companies; and/or
- (d) general corporate purpose of the Company and/or its group of companies.

(c) Changes in liabilities arising from financing activities

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
At 1 January	2,519,115	1,951,280	336,090	434,431
Cash flows	870,551	146,039	1,315,647	(98,986)
Reclassification from payables	197,781	-	-	-
Acquisition of subsidiaries	-	423,156	-	-
Hire purchase	(1,043)	(918)	(243)	(81)
Others	(9,245)	(442)	655	726
At 31 December	3,577,159	2,519,115	1,652,149	336,090

The "others" represent transactions involving amortisation of borrowing costs.

33. TRADE AND OTHER PAYABLES

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Non-current				
Trade payables				
Third parties (Note 33(a)(i))	339,413	421,615	-	-
Other payables				
Other payables and deposits	29,233	540	-	-
Accruals	78,497	68,927	-	-
Security retainers (Note 33(b)(i))	2,408	2,232	-	-
Sinking fund reserves (Note 33(b)(ii))	9,845	7,876	-	-
Amounts due to shareholders	2,556	-	-	-
	122,539	79,575	-	-
	461,952	501,190	-	-
Current				
Trade payables (Note 33(a)(ii))				
Third parties	364,948	583,623	-	-
Retention sum	123,745	142,981	-	-
	488,693	726,604	-	-
Other payables				
Other payables and deposits	234,292	257,171	2,984	18,248
ICPS dividend payable	11,788	-	11,788	-
Accruals	210,979	195,894	13,585	8,121
Amounts due to: (Note 33(b)(iii))				
- Subsidiaries	-	-	264,363	84,954
- Non-controlling interests	4,869	23,361	-	-
Amounts due to shareholders	106,884	396,587	94,947	188,533
	568,812	873,013	387,667	299,856
	1,057,505	1,599,617	387,667	299,856
Total trade and other payables	1,519,457	2,100,807	387,667	299,856

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

33. TRADE AND OTHER PAYABLES (CONT'D.)

(a) Trade payables

- (i) Trade payables (non-current)

This amount relates to payables arising from the acquisition of land by a subsidiary of the Group, which is payable over 20 years.

- (ii) Trade payables (current)

The normal trade credit term granted to the Group ranges from 30 to 90 days (2019: 30 to 90 days) from the date of invoice and progress claim. The retention sum is repayable upon expiry of the defect liability period of 12 to 18 months (2019: 12 to 18 months).

(b) Other payables

- (i) Security retainers

Security retainers are funds collected from members of the golf and country resort of the Group who joined prior to January 1993. These security retainers are refundable to the members on cessation of membership, i.e., upon the expiry of the term of the membership license on 9 October 2051 or upon revocation (i.e., termination of the membership at its discretion at any time before the expiry date).

	Group	
	2020	2019
	RM'000	RM'000
At 1 January	2,232	2,101
Unwinding of discount	196	551
Termination	(20)	(420)
At 31 December	2,408	2,232

- (ii) Sinking fund reserves

	Group	
	2020	2019
	RM'000	RM'000
At 1 January	7,876	6,161
Additions	1,886	1,798
Claims made during the financial year	83	(83)
At 31 December	9,845	7,876

Sinking fund of the Group is established for the purpose of covering periodic major repairs or capital replacements costs in the golf and country resort of the Group. A fraction of 10% of monthly subscription fees received from members during the year are credited to this reserve.

33. TRADE AND OTHER PAYABLES (CONT'D.)

(b) Other payables (cont'd.)

- (iii) Amounts due to subsidiaries and non-controlling interests

Amounts due to subsidiaries and non-controlling interests are mainly unsecured, non-interest bearing and repayable on demand.

- (iv) Other payables

Other payables are mainly unsecured, non-interest bearing and have no fixed terms of repayment.

- (v) Amounts due to shareholders

Amounts due to shareholders are mainly unsecured, non-interest bearing and repayable on demand.

Other information on financial risks of other payables are disclosed in Note 40.

34. CONTRACT LIABILITIES

	2020	Group
	RM'000	2019
		RM'000
Non-current		
Deferred license fees (Note 34(a))	135,052	135,524
Current		
Deferred license fees (Note 34(a))	4,586	4,466
Deferred income (Note 34(b))	17,189	17,061
Contract liabilities from property development (Note 34(c))	27,127	153,279
	48,902	174,806
Total contract liabilities	183,954	310,330

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For the financial year ended 31 December 2020

34. CONTRACT LIABILITIES (CONT'D.)

(a) Deferred license fees	Group	
	2020 RM'000	2019 RM'000
Cost		
At 1 January	216,719	214,286
Additions	4,234	2,433
At 31 December	220,953	216,719
Accumulated amortisation		
At 1 January	76,729	72,263
Amortisation during the financial year (Note 9)	4,586	4,466
At 31 December	81,315	76,729
Carrying amount	139,638	139,990
Represented by:		
Current	4,586	4,466
Non-current	135,052	135,524
	139,638	139,990

The deferred license fees refer to accrual and amortisation of license fees over 40 years which will expire on 9 October 2051.

(b) Deferred income

The deferred income of the Group is in respect of advance tuition fees received by the private school operator. It will be recognised as revenue upon services performed.

(c) Contract liabilities from property development

	Group	
	2020 RM'000	2019 RM'000
At 1 January	153,279	-
Acquisition of subsidiaries	-	244,737
Revenue recognised during the financial year	(346,983)	(200,280)
Progress billings issued during the financial year	214,581	108,822
Non-refundable deposit received in relation to land sale	6,250	-
At 31 December	27,127	153,279

Revenue from property development activities are recognised over time using the input method, which is based on the actual incurred to date on the property development project as compared to the total budgeted cost for the respective development projects.

35. LEASES

(a) Right-of-use assets	Leasehold land RM'000	Premises RM'000	Motor vehicles RM'000	Plant and machineries RM'000	Office equipment RM'000	Total RM'000
Group						
Cost						
At 1 January 2020	175,457	11,165	924	-	-	187,546
Additions	-	1,152	2,658	2,154	-	5,964
Transfer from property, plant and equipment (Note 15)	-	-	1,409	-	474	1,883
Write off	-	(5,538)	(396)	-	-	(5,934)
At 31 December 2020	175,457	6,779	4,595	2,154	474	189,459
Accumulated depreciation						
At 1 January 2020	43,387	4,651	556	-	-	48,594
Depreciation (Note 9)	2,026	3,359	698	118	95	6,296
Transfer from property, plant and equipment (Note 15)	-	-	1,056	-	162	1,218
Write off	-	(5,538)	(396)	-	-	(5,934)
At 31 December 2020	45,413	2,472	1,914	118	257	50,174
Carrying amount	130,044	4,307	2,681	2,036	217	139,285
Cost						
At 1 January 2019	175,457	7,600	924	-	-	183,981
Additions	-	3,565	-	-	-	3,565
At 31 December 2019	175,457	11,165	924	-	-	187,546
Accumulated depreciation						
At 1 January 2019	38,988	-	-	-	-	38,988
Depreciation (Note 9)	4,399	4,651	556	-	-	9,606
At 31 December 2019	43,387	4,651	556	-	-	48,594
Carrying amount	132,070	6,514	368	-	-	138,952

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

35. LEASES (CONT'D.)

(a) Right-of-use assets (cont'd.)			
	Premises RM'000	Motor vehicles RM'000	Total RM'000
Company			
Cost			
At 1 January 2020	2,875	-	2,875
Additions	117	236	353
Write off	(1,624)	-	(1,624)
Transfer from property, plant and equipment (Note 15)	-	403	403
At 31 December 2020	1,368	639	2,007
Accumulated depreciation			
At 1 January 2020	1,671	-	1,671
Depreciation (Note 9)	998	104	1,102
Write off	(1,624)	-	(1,624)
Transfer from property, plant and equipment (Note 15)	-	128	128
At 31 December 2020	1,045	232	1,277
Carrying amount	323	407	730
Cost			
At 1 January 2019	2,875	-	2,875
Additions	-	-	-
At 31 December 2019	2,875	-	2,875
Accumulated depreciation			
At 1 January 2019	-	-	-
Depreciation (Note 9)	1,671	-	1,671
At 31 December 2019	1,671	-	1,671
Carrying amount	1,204	-	1,204

Certain leasehold land with carrying amount of RM32,729,000 (2019: RM30,034,000) are pledged as securities for bank borrowings as disclosed in Note 32.

35. LEASES (CONT'D.)

(b) Lease liabilities	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
At 1 January	6,855	8,524	1,217	2,875
Additions	6,118	3,565	567	-
Accretion of interest (Note 8)	415	360	59	116
Payments	(4,689)	(5,594)	(1,110)	(1,774)
At 31 December	8,699	6,855	733	1,217
Represented by:				
Current	2,573	3,205	450	917
Non-current	6,126	3,650	283	300
	8,699	6,855	733	1,217
Maturities of lease liabilities:				
Not later than 1 year	2,573	3,205	450	917
Later than 1 year and not later than 5 years	4,325	1,270	283	300
More than 5 years	1,801	2,380	-	-
	8,699	6,855	733	1,217

36. BIOLOGICAL ASSETS

	Fish RM'000	Total RM'000
Group		
At 1 January 2020	-	-
Additions	219	219
At 31 December 2020	219	219

The Group's biological assets comprise fish. The Group classified these biological assets as current biological assets as their production cycle is less than 1 year.

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For the financial year ended 31 December 2020

37. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and the related parties took place at terms agreed between the parties during the financial year:

(a) Transactions with subsidiaries	Company	
	2020 RM'000	2019 RM'000
Dividend income from subsidiaries (Note 4)	35,750	46,263
Management fees from subsidiaries (Note 4)	20,529	25,934
Finance income on amounts due from subsidiaries (Note 7)	67,511	30,834
Management fees charged by a subsidiary (Note 9)	(7,898)	(6,398)
Finance costs on amounts due to subsidiaries (Note 8)	(36,152)	(12,236)
(b) Transactions with entities related to Tan Sri Dato’ Tan Chee Sing (Major shareholder of the Company)		
	2020 RM'000	2019 RM'000
Group		
Rental income receivable/received	13,201	20,028
Security charges receivable/received	129	113
Utilities charges receivable/received	209	1,732
Acquisition of subsidiaries	-	(1,937,121)
Transportation cost payable/paid	(718)	(851)
Entertainment expenses payable/paid	(12)	(35)
Car park charges payable/paid	-	(24)
Gift expense payable/paid	(893)	(812)
Marketing expenses payable/paid	(1,107)	(1,562)
Company		
Acquisition of subsidiaries	-	(1,937,121)
Transportation cost payable/paid	(718)	(851)
Entertainment expenses payable/paid	(12)	(35)
Gift expense payable/paid	(840)	(758)

37. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT’D.)

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and the related parties took place at terms agreed between the parties during the financial year: (cont’d.)

(c) Transactions with entities related to Tan Sri Dato’ Tan Chee Yioun (“Tan Sri Vincent Tan”), who is the brother of Tan Sri Dato’ Tan Chee Sing	2020 RM'000	2019 RM'000
Group		
Rental income receivable/received	298	17
Telephone charges payable/paid	(2)	(5)
Insurance charges payable/paid	(524)	(474)
Company		
Insurance charges payable/paid	(45)	(11)
(d) Sale of development properties	2020 RM'000	2019 RM'000
Group		
Sales of development properties to certain directors of subsidiaries	12,973	934

The directors are of the opinion that all the above transactions were entered into in the normal course of business and have been established under terms that are no less favourable than those obtainable in transactions with unrelated parties.

Information regarding outstanding balances arising from related party transactions as at 31 December 2020 and 31 December 2019 are disclosed in Note 23(b)(ii) and Note 33(b)(iii).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

37. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D.)

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and the related parties took place at terms agreed between the parties during the financial year: (cont'd.)

(e) Compensation of key management personnel

Key management personnel are 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 includes all the directors of the Group, and certain members of senior management of the Group.

The remuneration of directors and other members of key management during the financial year were as follows:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Salaries, bonus and other emoluments	33,135	32,148	9,993	11,349
Contributions to defined contribution plan	2,505	2,837	530	917
Fees	1,449	1,691	1,092	1,285
	37,089	36,676	11,615	13,551

Included in the total key management personnel are:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Directors' remuneration (Note 11)	35,435	32,375	11,615	13,551

38. FINANCIAL INSTRUMENTS

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 of the Group and of the Company described how the class of financial instruments are measured, and how income and expenses, including fair value gains and losses are recognised. The following table analysed the financial assets and financial liabilities in the statements of financial position by the class of financial instrument to which they are assigned, and therefore by the measurement basis.

	Financial assets at amortised cost RM'000	Fair value through profit or loss RM'000	Financial liabilities at amortised cost RM'000	Total RM'000
Group				
31 December 2020				
Assets				
Other investments	-	151,861	-	151,861
Trade and other receivables				
- Non-current	18,072	-	-	18,072
- Current (excluding prepayments)	513,543	-	-	513,543
Cash and bank balances	621,892	-	-	621,892
Total financial assets	1,153,507	151,861	-	1,305,368
Total non-financial assets				10,496,363
Total assets				11,801,731
Liabilities				
Borrowings				
- Non-current	-	-	3,078,042	3,078,042
- Current	-	-	518,729	518,729
Trade and other payables				
- Non-current	-	-	461,952	461,952
- Current	-	-	1,057,505	1,057,505
Lease liabilities				
- Non-current	-	-	6,126	6,126
- Current	-	-	2,573	2,573
ICPS				
- Non-current	-	-	174,007	174,007
- Current	-	-	3,593	3,593
Total financial liabilities	-	-	5,302,527	5,302,527
Total non-financial liabilities				739,898
Total liabilities				6,042,425

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

38. FINANCIAL INSTRUMENTS (CONT'D.)

Classification of financial instruments (cont'd.)

	Financial assets at amortised cost RM'000	Fair value through profit or loss RM'000	Financial liabilities at amortised cost RM'000	Total RM'000
Group				
31 December 2019				
Assets				
Other investments	-	312	-	312
Trade and other receivables				
- Non-current	10,294	-	-	10,294
- Current (excluding prepayments)	435,382	-	-	435,382
Cash and bank balances	754,949	-	-	754,949
Total financial assets	1,200,625	312	-	1,200,937
Total non-financial assets				10,089,048
Total assets				11,289,985
Liabilities				
Borrowings				
- Non-current	-	-	1,576,912	1,576,912
- Current	-	-	942,203	942,203
Trade and other payables				
- Non-current	-	-	501,190	501,190
- Current	-	-	1,599,617	1,599,617
Lease liabilities				
- Non-current	-	-	3,650	3,650
- Current	-	-	3,205	3,205
ICPS				
- Non-current	-	-	163,355	163,355
- Current	-	-	10,915	10,915
Total financial liabilities	-	-	4,801,047	4,801,047
Total non-financial liabilities				840,250
Total liabilities				5,641,297

38. FINANCIAL INSTRUMENTS (CONT'D.)

Classification of financial instruments (cont'd.)

	Financial assets at amortised cost RM'000	Fair value through profit or loss RM'000	Financial liabilities at amortised cost RM'000	Total RM'000
Company				
31 December 2020				
Assets				
Other investments	-	887	-	887
Trade and other receivables				
- Non-current	1,207,389	-	-	1,207,389
- Current (excluding prepayments)	1,586,199	-	-	1,586,199
Cash and bank balances	64,975	-	-	64,975
Total financial assets	2,858,563	887	-	2,859,450
Total non-financial assets				3,073,213
Total assets				5,932,663
Liabilities				
Borrowings				
- Non-current	-	-	1,524,304	1,524,304
- Current	-	-	147,457	147,457
Trade and other payables - current	-	-	387,667	387,667
Lease liabilities				
- Non-current	-	-	283	283
- Current	-	-	450	450
ICPS				
- Non-current	-	-	174,007	174,007
- Current	-	-	3,593	3,593
Total financial liabilities	-	-	2,237,761	2,237,761
Total non-financial liabilities				-
Total liabilities				2,237,761

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

38. FINANCIAL INSTRUMENTS (CONT'D.)

Classification of financial instruments (cont'd.)

	Financial assets at amortised cost RM'000	Fair value through profit or loss RM'000	Financial liabilities at amortised cost RM'000	Total RM'000
Company				
31 December 2019				
Assets				
Other investments	-	312	-	312
Trade and other receivables				
- Non-current	389	-	-	389
- Current (excluding prepayments)	1,554,264	-	-	1,554,264
Cash and bank balances	52,011	-	-	52,011
Total financial assets	1,606,664	312	-	1,606,976
Total non-financial assets				2,993,706
Total assets				4,600,682
Liabilities				
Borrowings				
- Non-current	-	-	128,104	128,104
- Current	-	-	207,986	207,986
Trade and other payables - current	-	-	299,856	299,856
Lease liabilities				
- Non-current	-	-	300	300
- Current	-	-	917	917
ICPS				
- Non-current	-	-	163,355	163,355
- Current	-	-	10,915	10,915
Total financial liabilities	-	-	811,433	811,433
Total non-financial liabilities				578
Total liabilities				812,011

39. FAIR VALUE MEASUREMENT

Determination of fair values of financial instruments

The fair values of financial instruments measured at amortised cost are derived as follows:

Non-current financial instruments

- Estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date; or

Current financial instruments

- Reasonable approximation of their carrying values as they are either floating rate financial instruments which are repriced to market interest rates, short-term in nature or are repayable on demand.

The fair value measurement hierarchies used to measure assets and liabilities carried at fair value in the statements of financial position are as follows:

- (a) Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities
- (b) Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (c) Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Group				
31 December 2020				
Assets measured at fair value:				
Hotel buildings	-	-	485,000	485,000
Other investments	150,974	-	887	151,861
Investment properties	-	-	1,524,337	1,524,337

31 December 2019

Assets measured at fair value:

Other investments	-	-	312	312
Investment properties	-	-	1,295,070	1,295,070
Assets classified as held for sale	-	-	75,700	75,700

Description of valuation techniques used and key inputs to valuation on investment properties is as disclosed in Note 17.

There were no transfers between Level 1, Level 2 and Level 3 during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Managing Director. The Risk Management Committee provides independent oversight to the effectiveness of the risk management process.

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

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group’s and the Company’s exposure to credit risk arises primarily from trade and other receivables. Credit risks with respect to trade receivables are limited as the legal title to the properties sold remain with the Group until the purchase consideration is fully paid. As for other receivables, the credit risk is minimised via dealing with counterparties with appropriate credit, payment histories and other relevant information. For cash and bank balances, the Group and the Company minimise credit risk by dealing exclusively with reputable financial institutions.

The Group’s objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group’s policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group’s exposure to bad debts is not significant.

Exposure to credit risk

At the reporting date, the Group’s and the Company’s maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position. If necessary, the Group may obtain collaterals from counter-parties as a means of mitigating losses in the event of default.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group’s trade receivables at the reporting date are as follows:

	2020		2019	
	RM’000	% of total	RM’000	% of total
Group				
Property development and property management	240,904	88%	210,651	88%
Property investment, recreation and resort	23,650	8%	9,611	4%
Investment holding and others	9,669	4%	18,720	8%
	274,223	100%	238,982	100%

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT’D.)

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group’s and the Company’s exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group’s and the Company’s objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group’s and the Company’s liquidity risk management policy is to maintain sufficient liquid financial assets and stand-by credit facilities with several banks so as to ensure that all operating, investing and financing needs are met.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group’s and the Company’s liabilities at the reporting date based on contractual undiscounted repayment obligations.

	On demand or within one year RM’000	One to five years RM’000	More than five years RM’000	Total RM’000
Group				
Financial liabilities				
2020				
Trade and other payables	1,136,994	288,412	276,046	1,701,452
Lease liabilities	2,936	4,871	2,477	10,284
ICPS	21,767	107,080	138,517	267,364
Borrowings	686,315	2,826,054	741,357	4,253,726
Total undiscounted financial liabilities	1,848,012	3,226,417	1,158,397	6,232,826

2019				
Trade and other payables	1,791,133	254,105	216,479	2,261,717
Lease liabilities	3,484	1,925	2,876	8,285
ICPS	11,789	123,780	141,464	277,033
Borrowings	1,078,314	1,308,442	568,826	2,955,582
Total undiscounted financial liabilities	2,884,720	1,688,252	929,645	5,502,617

Company				
Financial liabilities				
2020				
Trade and other payables	387,667	-	-	387,667
Lease liabilities	648	349	-	997
ICPS	21,767	107,080	138,517	267,364
Borrowings	227,827	1,515,521	214,308	1,957,656
Total undiscounted financial liabilities	637,909	1,622,950	352,825	2,613,684

2019				
Trade and other payables	299,856	-	-	299,856
Lease liabilities	957	306	-	1,263
ICPS	11,789	123,780	141,464	277,033
Borrowings	218,043	140,893	-	358,936
Total undiscounted financial liabilities	530,645	264,979	141,464	937,088

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For the financial year ended 31 December 2020

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(c) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's primary interest rate risk relates to interest-bearing borrowings.

The investments in financial assets including fixed deposits are mainly short-term in nature and they are not held for speculative purposes.

The Group manages its interest rate exposure by using a mix of fixed and floating rate debts and actively reviewing its debt portfolio, taking into account the investment holding period and nature of its assets.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonable possible change in interest rates, with all other variables held constant, of the Group's and of the Company's profit/(loss) before tax (through the impact on floating rate borrowings).

	2020 RM'000	2019 RM'000
Group		
Borrowings denominated in Ringgit Malaysia		
Interest rates increase by 25 basis point	(9,073)	(6,354)
Interest rates decrease by 25 basis point	9,073	6,354
Company		
Borrowings denominated in Ringgit Malaysia		
Interest rates increase by 25 basis point	(4,182)	(843)
Interest rates decrease by 25 basis point	4,182	843

(d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has transactional currency exposures arising from balances in other payables in a currency other than the functional currencies of the Group. The foreign currencies in which these transactions are denominated in are US Dollar, Singapore Dollar and Renminbi.

The Group's foreign currency risk management objective is to minimise foreign currency exposure that gives rise to economic impact, both at transaction and reporting period translation levels. The Group and the Company are not exposed to significant foreign currency risk as the majority of the Group's and of the Company's transactions, assets and liabilities are denominated in the functional currencies of the respective entities within the Group.

41. OPERATING LEASE ARRANGEMENTS

The Group as lessor

The Group has entered into non-cancellable operating lease agreements on its investment property portfolio. These leases have remaining non-cancellable lease terms of between 1 to 10 years.

Future minimum rentals receivable under non-cancellable operating leases at the reporting date are as follows:

	2020 RM'000	Group 2019 RM'000
Not later than 1 year	49,895	24,857
Later than 1 year and not later than 5 years	74,148	38,610
Later than 5 years	12,583	38,194
	136,626	101,661

42. COMMITMENTS

Capital expenditure:

Approved and contracted for:

- Property, plant and equipment	8,894	82,095
- Investment properties	14,190	3,367
	23,084	85,462
Approved and not contracted for:		
- Investment properties	19,747	-
	42,831	85,462

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For the financial year ended 31 December 2020

43. SEGMENTAL INFORMATION

Business Segments

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

- (i)

Property development and property management (“**PDPM**”)

- Development of residential and commercial properties.
- (ii)

Property investment, recreation and resort (“**PIRR**”)

- Management and operation of hotels, resort, golf course, club house and investments in commercial and other properties.
- (iii)

Investment holding and others (“**IH**”)

- Investment income, landscape services, management and operation of private school and other operations which are not sizeable to be reported separately.

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. Segmental performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and are allocated to operating segments.

43. SEGMENTAL INFORMATION (CONT'D.)
Segmental information by business segments:

	PDPM		PIRR		IH		Adjustments and eliminations		Note	Total	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000		2020 RM'000	2019 RM'000
Revenue and expenses											
Revenue											
External sales	901,663	900,489	95,274	146,210	65,634	89,144	-	-		1,062,571	1,135,843
Inter-segment	3,704	19,276	17,548	14,709	142,031	150,333	(163,283)	(184,318)	(A)	-	-
Total revenue	905,367	919,765	112,822	160,919	207,665	239,477	(163,283)	(184,318)		1,062,571	1,135,843
Results											
Finance income	17,997	22,026	7,055	6,963	182,421	84,822	(189,693)	(95,343)		17,780	18,468
Depreciation and amortisation	(8,776)	(8,425)	(20,871)	(18,819)	(14,351)	(17,394)	9,108	7,593		(34,890)	(37,045)
Share of results of an associate	6,046	819	-	-	-	-	-	-		6,046	819
Share of results of joint ventures	(1,168)	11,258	-	-	-	-	-	-		(1,168)	11,258
Other non-cash items	149,561	5,840	(49,152)	(56,682)	(7,952)	(89,777)	(1,802)	327,889	(B)	90,655	187,270
Segment profit/(loss)	491,299	306,286	(110,301)	(54,712)	(34,422)	(107,802)	(108,172)	223,702	(C)	238,404	367,474
Assets											
Investment in an associate	151,552	152,279	-	-	-	-	(55,668)	(61,714)		95,884	90,565
Investments in joint ventures	144,244	112,470	-	-	-	-	134,084	152,515		278,328	264,985
Additions to non-current assets	602,278	203,995	85,191	429,605	246,674	23,034	(79,425)	(83,757)	(D)	854,718	572,877
Segment assets	8,571,256	8,199,052	1,543,893	1,431,943	10,953,809	7,617,654	(9,267,227)	(5,958,664)		11,801,731	11,289,985
Segment liabilities	5,023,349	5,098,504	1,320,817	1,052,300	6,304,319	3,010,509	(6,606,060)	(3,520,016)		6,042,425	5,641,297

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

43. SEGMENTAL INFORMATION (CONT'D.)

Inter-segment revenue is eliminated upon consolidation and reflected in the 'adjustments and eliminations' column. All other adjustments and eliminations are part of detailed reconciliations presented below:

Notes: Nature of adjustments and eliminations to arrive at the amounts reported in the consolidated financial statements

A. Inter-segment revenues are eliminated on consolidation.

B. Other non-cash items include the following items as presented in the respective notes to the financial statements:

	2020 RM'000	2019 RM'000
Unrealised profit arising from transaction with a joint venture	98	7,741
Unrealised returns on security retainers accumulation fund	(98)	(216)
Bad debts written off	49	839
Reversal of impairment loss on trade and other receivables	(4,388)	(7,113)
Amortisation of deferred license fees	(4,586)	(4,466)
Amortisation of security retainers accumulation fund	11	11
Impairment loss on:		
- property, plant and equipment	33,650	50,767
- trade and other receivables	2,718	1,588
- intangible assets	-	25,643
Property, plant and equipment written off	77	4,976
(Gain)/loss on disposal of:		
- property, plant and equipment, net	(88)	(327)
- investment properties	-	3,255
- quoted shares	(4,823)	-
- assets classified as held for sale, net	1,538	(322)
Gain on a bargain purchase	-	(321,346)
Net fair value (gain)/loss on investment properties	(138,128)	674
Fair value loss of quoted shares	9,162	-
Fair value gain on transferable corporate golf club memberships	(575)	-
Unrealised foreign exchange loss, net	27	2
Inventories written down	-	56,314
Property development costs written off	-	16,996
Unwinding of discount on trade and other payables	389	9
Amortisation of borrowing costs	10,916	10,055
Accretion of ICPS	15,118	-
Accretion of lease liabilities interest	415	360

43. SEGMENTAL INFORMATION (CONT'D.)

Notes: Nature of adjustments and eliminations to arrive at the amounts reported in the consolidated financial statements (cont'd.)

C. The following items are added to/(deducted from) segment profit to arrive at profit before tax from continuing operations presented in the consolidated statement of comprehensive income:

	2020 RM'000	2019 RM'000
Share of results of an associate	6,046	819
Share of results of joint ventures	(1,168)	11,258
Finance costs	(164,287)	(75,850)

D. Additions to non-current assets consist of:

	2020 RM'000	2019 RM'000
Property, plant and equipment (Note 15)	84,026	49,984
Land held for property development (Note 16(a))	468,317	118,394
Investment properties (Note 17)	65,473	400,934
Intangible assets (Note 22)	3,232	-
Right-of-use assets (Note 35(a))	5,964	3,565
Other investments	227,706	-
	854,718	572,877

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

44. SIGNIFICANT EVENTS

The following is a summary of material disposals of properties by the Group’s subsidiaries during the financial year ended 31 December 2020:

- (i) On 20 January 2017, Lido Waterfront Boulevard Sdn Bhd, an indirect 65% owned subsidiary of the Group, entered into an Addendum to Reclamation Contract with China Communications Construction Company (M) Sdn Bhd to carry out reclamation, revetment, drainage and associated works on the land parcels known as Lido Waterfront Boulevard in Johor (“**LIDO Land**”) measuring 659,638 square metres of development land and 19,020 square metres of boardwalk for a total contract sum of RM552,577,897.

Part of the contract sum will be paid by the way of contra of the parcels of LIDO Land measuring approximately 47,020 square metres delineated in Plot 11, Plot 12 and Plot 13.

One of the LIDO land, Plot 11 measuring 16,204 square metres was set-off for total consideration of RM104,648,544 upon the fulfillment of conditions precedent on 1 July 2020. Accordingly, gain on disposal of RM92,530,834 was recognised in the profit or loss.

One of the LIDO land, Plot 13 measuring 15,729 square metres was set-off for total consideration of RM101,590,632 upon the fulfillment of conditions precedent on 7 December 2020. Accordingly, gain on disposal of RM89,488,136 was recognised in the profit or loss.

- (ii) On 6 February 2018, Tropicana GP Views Sdn Bhd, a wholly-owned subsidiary of the Group, entered into a sale and purchase agreement with Splendid Pavilion Sdn Bhd, for disposal of two pieces of freehold land measuring approximately 315,661 square metres in Johor for a total consideration of RM149,000,000. Accordingly, gain on disposal of RM73,993,005 was recognised in the profit or loss upon the fulfillment of conditions precedent on 7 August 2020.

- (iii) On 6 December 2019, Tropicana Development (Johor Bahru) Sdn Bhd, a wholly-owned subsidiary of the Group, entered into a sale and purchase agreement with GW Max Sdn Bhd, for disposal of a piece of freehold land with category of land use “bangunan” measuring approximately 44,840 square metres in Johor for a total consideration of RM64,500,000. Accordingly, gain on disposal of RM11,741,896 was recognised in the profit or loss upon the fulfilment of conditions precedent on 15 December 2020.

- (iv) On 1 August 2019, Daya Petaling Sdn Bhd, a wholly-owned subsidiary of the Group, entered into a sale and purchase agreement with JPS Global Property Sdn Bhd for disposal of a piece of leasehold land measuring approximately 1,982 square metres together with an 8-storey commercial building with a basement car park erected on the land known as “Intan Square” in Selangor for a total consideration of RM27,500,000. Accordingly, loss on disposal of RM651,529 was recognised in profit or loss upon the fulfilment of condition precedent on 11 August 2020.

- (v) On 20 September 2019, Tropicana Properties (Klang) Sdn Bhd, a wholly-owned subsidiary of the Group, entered into a sale and purchase agreement with 99 New Property Sdn Bhd, for disposal of a piece of freehold land measuring approximately 6,165 square metres together with a 10-storey building erected on the land known as “Casa Klang” in Selangor for a total consideration of RM30,000,000. Accordingly, loss on disposal of RM211,545 was recognised in profit or loss upon the fulfilment of condition precedent on 21 October 2020.

- (vi) On 6 December 2019, Tropicana Sinaran Sdn Bhd (fka Tropicana Properties (Keningau) Sdn Bhd), a wholly-owned subsidiary of the Group, entered into a sale and purchase agreement with Emas Majusama Sdn Bhd, for disposal of a piece of leasehold land measuring approximately 8,109 square metres together with a 2-storey commercial building erected on the land known as “Kelab Rekreasi Keningau” in Sabah for a total consideration amounting to RM6,200,000. Accordingly, loss on disposal of RM163,822 was recognised in profit or loss upon the fulfilment of condition precedent on 3 June 2020.

- (vii) On 31 December 2019, Tropicana Lido Development Sdn Bhd, a wholly-owned subsidiary of the Group, entered into a sale and purchase agreement with Perodua Sales Sdn Bhd, for disposal of five parcels of leasehold land measuring approximately 7,163 square metres, which located in Sabah for a total consideration of RM12,000,000. Accordingly, loss on disposal of RM510,693 was recognised in profit or loss upon the fulfilment of condition precedent on 31 March 2020.

44. SIGNIFICANT EVENTS (CONT'D.)

The following is a summary of material acquisitions of properties by the Group’s subsidiaries during the financial year ended 31 December 2020:

- (i) On 10 November 2020, Tropicana Inspirasi Impian Sdn Bhd (fka Elkwood Realty Sdn Bhd), an indirect 51% owned subsidiary of the Group, entered into a sale and purchase agreement with Satria Sewira Sdn Bhd for the acquisition of freehold land measuring approximately 102 acres held under H.S.(D) 2097, Lot No. PT 2134/118, Mukim of Bentong, District of Bentong, State of Pahang Darul Makmur for a total cash consideration of RM178,160,400.

- (ii) On 10 November 2020, Tropicana Inspirasi Indah Sdn Bhd (fka Snowflakes Realty Sdn Bhd), an indirect 51% owned subsidiary of the Group, entered into a sale and purchase agreement with Emerald Hectares Sdn Bhd for the acquisition of freehold land measuring approximately 206 acres held under H.S.(D) 2099, Lot No. PT 2136/120, Mukim of Bentong, District of Bentong, State of Pahang Darul Makmur for a total cash consideration of RM224,334,000.

Outbreak of Coronavirus (“COVID-19”)

As at the end of the financial year, the COVID-19 pandemic that had severely impacted the financial performance of the Group for the financial year ended 31 December 2020 is still evolving. As such, the financial performance for the financial year ending 31 December 2021 is expected to remain challenging taking into account of the re-imposition of Movement Control Order (“**MCO**”) and the rise in COVID-19 cases in the country. The property development and property investment sectors in which the Group principally operates in, have been impacted and had experienced setbacks when the movement restriction measures resulted in unanticipated delays in development projects and temporary cessation of businesses.

However, these business activities have gradually returned to normalcy as construction and property development activities, as well as other business activities are allowed to continue its operations during the subsequent phases of the movement restriction orders amidst more stringent health and safety procedures imposed by the government, and on the back of a more challenging business environment. The Group is also taking the necessary steps to mitigate the risks to its business arising from the COVID-19 pandemic, including but not limited to more emphasis placed on clearing of unsold inventories, careful rationalisation of new project launches as well as the prudent management of its cash flows. To ensure business continuity and resilience, the Group is also responding to the changing market conditions and had rolled out a series of customer-centric new developments at strategic locations by introducing a digital sales campaign to continue customer engagements, and increase sales. Despite the challenges from the COVID-19 pandemic, the Group expects that all the efforts and measures that the Group has undertaken will place the Group in a good position to unlock the values of its strategic land banks which will subsequently improve its financial performance and deliver sustainable returns to the shareholders.

45. SUBSEQUENT EVENTS

- (i) On 25 January 2021, the Company had incorporated a wholly-owned subsidiary, Tropicana Landmark Education Sdn Bhd with 1 Ordinary Share which representing 100% of total paid-up capital for a total cash consideration of RM1.

- (ii) On 15 April 2021, Desiran Realiti Sdn Bhd, an indirect wholly-owned subsidiary of the Company, had disposed a total of 1,850,000 of Ordinary Shares in Top Glove Corporation Bhd, for a total consideration of RM9,981,505 via open market transactions on Bursa Malaysia Securities Berhad.

- (iii) On 15 April 2021, the Company had issued Sukuk Wakalah of RM133.2 million and RM49.8 million in nominal value out of its RM1.5 billion Sukuk Wakalah Programme, with tenors of 5-year and 7-year respectively. The Sukuk Wakalah carries a senior ranking and is secured. The yield to maturity at issuance date is 5.65% and 5.80% per annum respectively.

- (iv) On 20 April 2021, Tropicana Golf & Country Resort Berhad (“**TGCRB**”), a wholly-owned subsidiary of the Company, had incorporated Tropicana Cuisines Catered Sdn Bhd (“**Cuisines Catered**”) with 2 Ordinary Shares which representing 100% of total paid-up capital for a total cash consideration of RM2. With this incorporation, Cuisines Catered became a wholly-owned subsidiary of TGCRB, which in turn is an indirect wholly-owned subsidiary of the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

46. MATERIAL LITIGATION

On 26 August 2013, the Company received an order from the Arbitral Tribunal to add the Company as a party to the arbitration proceedings between Dijaya-Malind JV (Mauritius) Limited (“**DMML**”), Dijaya-Malind Properties (India) Private Limited (“**DMPPL**”) and Starlite Global Enterprise (India) Limited (“**SGEIL**”) (“**Order**”).

The arbitration proceedings were previously instituted by DMML and DMPPL against SGEIL to seek the return of the deposit sum and damages arising from termination of the Deed of Novation cum Joint Development Agreement.

The Company appealed to the City Civil Court of Hyderabad against the Order which was dismissed on 2 June 2014. As our legal counsel opines the Order was erroneous and wrong in law, the Company has filed a further appeal to the High Court of Judicature of Andhra Pradesh and is pending hearing date to be set.

47. CAPITAL MANAGEMENT

The primary objective of the Group’s and of the Company’s capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholders’ value.

The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 December 2020 and 31 December 2019.

The Group and the Company monitor capital using a gearing ratio, which is net debt divided by total equity. The Group and the Company include within net debt, loans and borrowings less cash and bank balances.

	Group		Company	
	2020 RM’000	2019 RM’000	2020 RM’000	2019 RM’000
Borrowings (Note 32)	3,596,771	2,519,115	1,671,761	336,090
Less: Cash and bank balances (Note 26)	(621,892)	(754,949)	(64,975)	(52,011)
Net debt	2,974,879	1,764,166	1,606,786	284,079
Total equity	5,759,306	5,648,688	3,694,902	3,788,671
Gearing ratio	0.52	0.31	0.43	0.07

The gearing ratio is not governed by the MFRS and its definition and calculation may vary from one group/company to another.

ANALYSIS OF SHAREHOLDINGS

As at 19 April 2021

ORDINARY SHARES

Class of shares	: Ordinary shares
Listing status	: Quoted on the Main Market of Bursa Malaysia Securities Berhad
Total issued shares	: 1,470,425,550 ordinary shares
Treasury shares	: 13,937,943 treasury shares held by the Company
Voting rights	: One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

Sizes of Shareholdings	No. of Holders	% of Holders	Total Holdings	% of Holdings
1 to 99	1,808	18.55	63,154	#
100 to 1,000	612	6.28	192,030	0.01
1,001 to 10,000	5,308	54.45	17,463,550	1.20
10,001 to 100,000	1,761	18.07	42,422,506	2.91
100,001 to 72,824,379*	256	2.63	1,148,270,103	78.84
72,824,380 and above **	3	0.03	248,076,264	17.03
Total	9,748	100.00	1,456,487,607@	100.00

Notes:

- # Negligible
- * Less than 5% of issued ordinary shares
- ** 5% and above of issued ordinary shares
- @ exclude a total of 13,937,943 treasury shares retained by the Company as per record of depositors as at 19 April 2021

SUBSTANTIAL SHAREHOLDERS AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

(excluding bare trustees)

Names	Direct Interest	No. of Ordinary Shares Held		%
		%	Deemed Interest	
Tan Sri Dato’ Tan Chee Sing	359,462,475	24.68	558,762,817 ⁽¹⁾	38.37
Tan Sri Dr Lim Wee Chai	162,208,937	11.14	–	–
Aliran Firasat Sdn Bhd	306,684,845	21.06	–	–
Golden Diversity Sdn Bhd	146,933,397	10.09	–	–
Impeccable Ace Sdn Bhd	105,144,575	7.22	–	–

Notes:

- ⁽¹⁾ Deemed interest by virtue of his interests in Aliran Firasat Sdn Bhd, Golden Diversity Sdn Bhd and Impeccable Ace Sdn Bhd pursuant to Section 8 of the Companies Act 2016 (“**Act**”).

ANALYSIS OF SHAREHOLDINGS

As at 19 April 2021

DIRECTORS' SHAREHOLDINGS IN ORDINARY SHARES AS PER THE REGISTER OF DIRECTORS' SHAREHOLDINGS

Names	No. of Ordinary Shares Held			
	Direct Interest	%	Deemed Interest	%
Tan Sri Dr Lim Wee Chai	162,208,937	11.14	–	–
Tan Sri Dato' Tan Chee Sing	359,462,475	24.68	560,353,421 ⁽²⁾	38.47
Jared Ang Tzer Shen	4,517	#	231,651 ⁽³⁾	0.02
Lee Han Ming	26,892	#	–	–

Notes:
Negligible
⁽²⁾ Deemed interest by virtue of his interests in Aliran Firasat Sdn Bhd, Golden Diversity Sdn Bhd and Impeccable Ace Sdn Bhd pursuant to Section 8 of the Act, and spouse and child's interests pursuant to Section 59(11) of the Act.
⁽³⁾ Deemed interest by virtue of Section 8 of the Act held through spouse.

THIRTY LARGEST REGISTERED ORDINARY SHAREHOLDERS ACCORDING TO THE RECORD OF DEPOSITORS

(Without aggregating the securities from different securities accounts belonging to the same depositor)

No.	Names of Holders	No. of Ordinary Shares	%
1.	UOBM Nominees (Tempatan) Sdn Bhd United Overseas Bank Nominees (Pte) Ltd for Tan Chee Sing	87,579,692	6.01
2.	Lim Wee Chai	86,540,745	5.94
3.	RHB Nominees (Tempatan) Sdn Bhd Bank of China (Malaysia) Berhad Pledged Securities Account for Aliran Firasat Sdn Bhd	73,955,827	5.08
4.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Golden Diversity Sdn Bhd	60,729,091	4.17
5.	CGS-CIMB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Aliran Firasat Sdn Bhd (M3438B)	59,878,500	4.11
6.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Aliran Firasat Sdn Bhd (001)	58,481,612	4.02
7.	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Impeccable Ace Sdn Bhd	49,643,697	3.41
8.	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lim Wee Chai	47,562,830	3.27
9.	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chee Sing (8118939)	46,030,692	3.16
10.	MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Aliran Firasat Sdn Bhd (MGN-TCS0010M)	45,248,500	3.11
11.	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account - Ambank Islamic Berhad for Aliran Firasat Sdn Bhd	40,121,207	2.75
12.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Impeccable Ace Sdn Bhd (51231662809C)	34,616,961	2.38
13.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Enhance Summer Sdn Bhd	34,566,549	2.37
14.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chee Sing	34,276,058	2.35

THIRTY LARGEST REGISTERED ORDINARY SHAREHOLDERS ACCORDING TO THE RECORD OF DEPOSITORS (CONT'D.)

(Without aggregating the securities from different securities accounts belonging to the same depositor)

No.	Names of Holders	No. of Ordinary Shares	%
15.	ABB Nominee (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chee Sing (DT'S OD3)	32,322,876	2.22
16.	Maybank Securities Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Reka Antika Sdn Bhd (Margin)	30,098,401	2.07
17.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Deutsche Bank AG Singapore PWM for Lim Wee Chai	28,105,362	1.93
18.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Golden Diversity Sdn Bhd (51405769502A)	27,912,446	1.92
19.	Amsec Nominees (Tempatan) Sdn Bhd KGI Securities (Singapore) Pte Ltd for Tan Chee Sing (130309)	27,492,655	1.89
20.	ABB Nominee (Tempatan) Sdn Bhd Pledged Securities Account for Golden Diversity Sdn Bhd (DT'S OD3)	21,993,171	1.51
21.	CIMB Group Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Golden Diversity Sdn Bhd (CBM & EDG)	20,754,075	1.42
22.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chee Sing (021)	19,947,351	1.37
23.	ABB Nominee (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chee Sing (OD4)	19,643,387	1.35
24.	CIMB Group Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chee Sing, Dato (1835 ANSA)	19,042,554	1.31
25.	MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd Pledged Securites Account for Tan Chee Sing (MGN-TCS0010M)	17,631,668	1.21
26.	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Chee Sing	16,000,000	1.10
27.	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chiau Beng Teik	15,634,697	1.07
28.	CGS-CIMB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chiau Beng Teik (MY2975)	15,338,578	1.05
29.	Aliran Firasat Sdn Bhd	14,974,428	1.03
30.	Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account - Ambank Islamic Berhad for Golden Diversity Sdn Bhd	13,356,604	0.92
TOTAL		1,099,480,214	75.50

ANALYSIS OF IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES HOLDINGS

As at 19 April 2021

IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES

Class of Shares	:	Irredeemable Convertible Preference Shares ("ICPS")
Listing status	:	Unquoted on the Main Market of Bursa Malaysia Securities Berhad
Total Issued ICPS	:	982,386,093 ICPS
Voting Rights	:	The ICPS holders shall carry no right to vote at any general meeting of the Company except for the following circumstances:- <div><div>(a)</div><div>when the dividend or part of the dividend on the ICPS is in arrears for more than six (6) months;</div><div>(b)</div><div>on a proposal to reduce the Company's share capital;</div><div>(c)</div><div>on a proposal for the disposal of the whole of the Company's property, business and undertaking;</div><div>(d)</div><div>on a proposal that affects rights and privileges attached to the ICPS;</div><div>(e)</div><div>on a proposal to wind-up the Company; and</div><div>(f)</div><div>during the winding-up of the Company.</div></div>

DISTRIBUTION OF ICPS HOLDINGS

Sizes of ICPS Holdings	No. of Holders	% of Holders	Total Holdings	% of Holdings
1 to 99	-	-	-	-
100 to 1,000	-	-	-	-
1,001 to 10,000	-	-	-	-
10,001 to 100,000	-	-	-	-
100,001 to less than 49,119,304*	-	-	-	-
49,119,305 and above**	3	100.00	982,386,093	100.00
Total	3	100.00	982,386,093	100.00

Notes:
* Less than 5% of issued ICPS
** 5% and above of issued ICPS

DIRECTOR'S ICPS HOLDING AS PER THE REGISTER OF DIRECTORS' SHAREHOLDINGS

Name	Direct Interest	No. of ICPS Held		%
		%	Deemed Interest	
Tan Sri Dato' Tan Chee Sing	-	-	982,386,093 ⁽¹⁾	100.00

Notes:
⁽¹⁾ Deemed interest by virtue of his interests in T Shares 1 Sdn Bhd, Dasen Resources Sdn Bhd and DIT Sdn Bhd pursuant to Section 8 of the Act.

LIST OF ICPS HOLDERS

No.	Name of Holders	No. of ICPS	%
1.	T Shares 1 Sdn Bhd	671,435,499	68.35
2.	Dasen Resources Sdn Bhd	207,300,396	21.10
3.	DIT Sdn Bhd	103,650,198	10.55
Total		982,386,093	100.00

LIST OF PROPERTIES

As at 31 December 2020

Title Reference	Purpose/ Existing Use	Tenure	Year of Acquisition/ Year of Completion*	Approx. Age of Building (Years)	Land Area Approx. (Acres)	Built-up Area/Net Lettable Area (Sq Ft)	Fair Value/ Carrying Amount @ 31 Dec 2020 (RM'Million)	Revaluation Value (RM'Million)	Date of Revaluation
LIDO WATERFRONT BOULEVARD SDN BHD									
H.S.(D) 578204, PTB 24592; H.S.(D) 578205, PTB 24593; H.S.(D) 578206, PTB 24594; H.S.(D) 578207, PTB 24621; H.S.(D) 578208, PTB 24623; H.S.(D) 578209, PTB 24626; H.S.(D) 574553, PTB 24627; H.S.(D) 574554, PTB 24630; H.S.(D) 574555, PTB 24631; H.S.(D) 574556, PTB 24629; H.S.(D) 583862 to H.S.(D) 583866, PTB 24603 to PTB 24607; H.S.(D) 585065, PTB 24634; and H.S.(D) 573656, PTB 24130, Daerah Johor Bahru, Johor	Land held for future Development	Freehold	2019	-	83.57	-	873.33	1,787.90	Feb-19
SAPPHIRE STEP SDN BHD									
H.S.(D)39240, PT41265, Mukim Tanjung Duabelas, Daerah Kuala Langat, Selangor	Tenby International School	Leasehold (99 years) expiring on 09.11.2110	2018*	3	10.43	154,817	77.00	77.00	Dec-20
SUASANA METRO SDN BHD									
HSM 3242 to HSM 3245; PTD 181994 to PTD 181997; GM 660, Lot 4446; and GM 661, Lot 4447, Mukim Pulau, Daerah Johor Bahru, Johor	Land held for future development	Freehold	2019	-	5.04	-	42.36	44.00	Feb-19
TROPICANA AMAN SDN BHD									
H.S.(D) 44383, PT 45113, Mukim Tanjung Duabelas, Daerah Kuala Langat, Selangor	Land under construction	Leasehold (99 years) expiring on 09.11.2110	2014	-	37.00	-	42.97	-	-
H.S.(D) 42120, PT 44819, Mukim Tanjung Duabelas, Daerah Kuala Langat, Selangor	Land under construction	Leasehold (99 years) expiring on 09.11.2110	2014	-	9.58	-	26.99	-	-
H.S.(D) 42122, PT 44813, Mukim Tanjung Duabelas, Daerah Kuala Langat, Selangor	Land under construction	Leasehold (99 years) expiring on 09.11.2110	2014	-	18.41	-	51.13	-	-
PN 112508, Lot 73427, Mukim Tanjung Duabelas, Daerah Kuala Langat, Selangor	Land under construction	Leasehold (99 years) expiring on 09.11.2110	2014	-	26.49	-	44.50	-	-
H.S.(D) 44382, PT 45112, Mukim Tanjung Duabelas, Daerah Kuala Langat, Selangor	Land held for investment	Leasehold (99 years) expiring on 09.11.2110	2014	-	5.80	-	26.00	26.00	Dec-20
H.S.(D) 44636, PT 47816, Mukim Tanjung Duabelas, Daerah Kuala Langat, Selangor	Land held for sale	Leasehold (99 years) expiring on 09.11.2110	2014	-	1.51	-	1.53	-	-

Title Reference	Purpose/ Existing Use	Tenure	Year of Acquisition/ Year of Completion*	Approx. Age of Building (Years)	Land Area Approx. (Acres)	Built-up Area/Net Lettable Area (Sq Ft)	Fair Value/ Carrying Amount @ 31 Dec 2020 (RM'Million)	Revaluation Value (RM'Million)	Date of Revaluation
TROPICANA AMAN SDN BHD (CONT'D.)									
H.S.(D) 44638, PT 47818, Mukim Tanjung Duabelas, Daerah Kuala Langat, Selangor	Land held for sale	Leasehold (99 years) expiring on 09.11.2110	2014	-	1.28	-	1.29	-	-
H.S.(D) 44637, PT 47817, Mukim Tanjung Duabelas, Daerah Kuala Langat, Selangor	Land held for sale	Leasehold (99 years) expiring on 09.11.2110	2014	-	1.92	-	2.03	-	-
H.S.(D) 44631, PT 47805, Mukim Tanjung Duabelas, Daerah Kuala Langat, Selangor	Land held for sale	Leasehold (99 years) expiring on 09.11.2110	2014	-	11.11	-	15.46	-	-
H.S.(D) 44633, PT 47826; H.S.(D) 44634, PT 47827; H.S.(D) 44632, PT 47825; H.S.(D) 44635, PT 47815; H.S.(D) 44380, PT 45110; PN 112481, Lot 73401; H.S.(D) 44831, PT45111; PN 112507, Lot 73400; H.S.(D) 44384, PT 44514; PN 112506, Lot 73398; PN 112504, Lot 73396; PN 112503, Lot 73393; H.S.(D) 44639, PT 47823; H.S.(D) 44640, PT 47824; and H.S.(D) 44641, PT 47830, Mukim Tanjung Duabelas, Daerah Kuala Langat, Selangor	Land held for future development	Leasehold (99 years) expiring on 09.11.2110	2014	-	182.35	-	620.28	-	-
PN 112506, Lot 73398, Mukim Tanjung Duabelas, Daerah Kuala Langat, Selangor	Showcase	Leasehold (99 years) expiring on 09.11.2110	2015*	6	-	12,000	7.27	-	-
TROPICANA DANGA BAY SDN BHD									
GRN 562533, Lot 49318, Bandar Johor Bahru, Daerah Johor Bahru, Johor	Land held for future development	Freehold	2010	-	21.80	-	296.66	-	-
H.S.(D) 577114, PTB 24234, Bandar Johor Bahru, Daerah Johor Bahru, Johor	Proposed mall development	Freehold	2010	-	6.68	-	81.99	-	-
H.S.(D) 577113, PTB 24233, Bandar Johor Bahru, Daerah Johor Bahru, Johor	Sales gallery & project office	Freehold	2012*	8	1.80	25,575	1.57	-	-
TROPICANA DANGA BAY RESORT SDN BHD									
GRN 536373, Lot 48460 Daerah Johor Bahru, Johor	Land held for future development	Freehold	2014	-	5.97	-	89.24	-	-

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TROPICANA DANGA LAGOON SDN BHD									
Lot 3432, 3433, 3434, 3435, 3440, 3441, 3442, 3443, 3445, 3446, 3447, 44998 and PTD 3997, Mukim Pulau, Daerah Johor Bahru, Johor	Land held for future development	Leasehold (999 & 99 years) expiring on 17.01.2911 & 05.01.2091 & 30.12.2090	2012 & 2015 & 2018*	-	55.07 & 1.27 & 1.29	-	147.28	-	-
TROPICANA DANGA LAGOON DEVELOPMENT SDN BHD									
GM 850, Lot 559, Mukim Pulau, Daerah Johor Bahru, Johor	Land held for future development	Freehold	2019	-	5.00	-	27.03	39.00	Feb-19
TROPICANA DANGA LAGOON GARDEN SDN BHD									
HSM 3232, PTD 174019; HSM 3233, PTD 174020; HSM 3234, PTD 174021; HSM 3235, PTD 174022; HSM 3236, PTD 174023; HSM 3237, PTD 174024; HSM 3238, PTD 174025; HSM 3239, PTD 174026; HSM 3240, PTD 174027; and HSM 3241, PTD 174028, Mukim Pulau, Daerah Johor Bahru, Johor	Land held for future development	Freehold	2019	-	1.39	-	11.68	12.00	Feb-19
TROPICANA DANGA LAGOON LAND SDN BHD									
PM 123, Lot 44994, Mukim Pulau, Daerah Johor Bahru, Johor	Land held for future development	Leasehold (99 years) expiring on 01.02.2091	2019	-	1.35	-	2.75	8.50	Feb-19
TROPICANA DANGA LAPANBELAS SDN BHD									
PM 45, Lot 44999, Mukim Pulau, Daerah Johor Bahru, Johor	Land held for future development	Leasehold (99 years) expiring on 30.12.2090	2019	-	1.27	-	1.73	8.00	Feb-19
TROPICANA DESA MENTARI SDN BHD									
GM 800, Lot 313; GM 801, Lot 321; GM 802 to GM 806, Lot 324 to Lot 328; GM 786, Lot 337; GM 808, Lot 339; GM 787, Lot 340; GM 809 to GM 810, Lot 342 to Lot 343; GRN 436669, Lot 795; GRN 105314, Lot 797; and GM 1199 to GM 1202, Lot 65678 to Lot 65681, Mukim Pulau, Daerah Johor Bahru, Johor	Land held for future development	Freehold	2014	-	256.54	-	495.29	-	-

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TROPICANA DEVELOPMENT (SABAH) SDN BHD									
CL 215322660, Daerah Penampang, Sabah	5-Storey commercial building known as KGK Annex/ Penampang Point	Leasehold (99 years) expiring on 31.12.2080	2012	9.5	1.39	44,207	23.00	23.00	Dec-20
CL 215312922, Daerah Penampang, Sabah	3-Storey commercial building known as D Junction	Leasehold (99 years) expiring on 31.12.2070	2012	13	2.68	34,713	23.00	23.00	Dec-20
TROPICANA EDUCATION MANAGEMENT SDN BHD									
H.S.(D) 296471, PT 12687, Pekan Baru Sungai Buloh, Daerah Petaling, Selangor	St Joseph's Institution International School Malaysia (Tropicana PJ Campus)	Leasehold (99 years) expiring on 27.09.2106	2016*	4	6.07	418,084	197.55	232.00	Dec-20
TROPICANA FIRSTWIDE SDN BHD									
GM 369, Lot 663; GM 370, Lot 664; GM 338, Lot 805; GM 339, Lot 806; GM 620, Lot 807; GM 635, Lot 804; GRN 89120, Lot 917; GRN 89115, Lot 920; GRN 455001, Lot 1114; H.S.(D) 545, Lot 2217; H.S.(D) 546, Lot 2218; H.S.(D) 547, Lot 2219; H.S.(D) 560, Lot 2232; H.S.(D) 561, Lot 2233; H.S.(D) 562, Lot 2234; GM 432, Lot 801; GRN 89767 to GRN 89771, Lot 1355 to Lot 1359; H.S.(D) 554 to H.S.(D) 559, Lot 2226 to Lot 2231; H.S.(D) 569 to H.S.(D) 573, Lot 2241 to Lot 2245, Mukim Pulau, Daerah Johor Bahru, Johor	Land held for future development	Freehold	2019	-	294.00	-	458.61	586.29	Feb-19

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TROPICANA GEMS EDUCATION SDN BHD									
H.S.(D) 316106, PT 40, Pekan Country Heights, Daerah Petaling, Selangor	Gems International School	Freehold	2017*	3	5.00	236,602	113.00	113.00	Dec-20
TROPICANA GOLF & COUNTRY RESORT BERHAD									
Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor	Club house	Leasehold (99 years) expiring on 25.10.2090	1994	27	14.92	197,492	48.94	-	-
Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor	Staff quarter	Leasehold (99 years) expiring on 25.10.2090	1994	27	2.50	159,300	1.48	-	-
Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor	Golf course	Leasehold (99 years) expiring on 25.10.2090	1994	-	220.36	-	31.80	-	-
Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor	Golf course and club house land	Leasehold (99 years) expiring on 25.10.2090	1994	-	-	-	21.25	-	-
Lot 946, No Hakmilik 15851, Mukim Bandar Damansara, Daerah Petaling, Selangor	PPE	Leasehold (99 years) expiring on 25.10.2090	2012*	-	0.53	-	0.04	-	-
TROPICANA GP VIEWS SDN BHD									
H.S.(D) 15093, PTD 15194; H.S.(D) 15094, PTD 15195; H.S.(D) 15095, PTD 15196; H.S.(D) 15096, PTD 15197; H.S.(D) 15097, PTD 15198; H.S.(D) 15098, PTD 15200; H.S.(D) 15099, PTD 15201; H.S.(D) 15100, PTD 15202; H.S.(D) 15101, PTD 15203; H.S.(D) 15102, PTD 15204; H.S.(D) 15103, PTD 15205; H.S.(D) 15104, PTD 15206; H.S.(D) 15105, PTD 15207; H.S.(D) 15106, PTD 15208; H.S.(D) 15107, PTD 15209; H.S.(D) 15108, PTD 15210; H.S.(D) 15109, PTD 15211; H.S.(D) 15110, PTD 15212; H.S.(D) 15111, PTD 15213; H.S.(D) 15112, PTD 15214; H.S.(D) 15113, PTD 15215; H.S.(D) 15114, PTD 15216; H.S.(D) 15115, PTD 15217; H.S.(D) 15116, PTD 15218; H.S.(D) 15117, PTD 15219; H.S.(D) 15118, PTD 15220; H.S.(D) 15119, PTD 15221; H.S.(D) 15120, PTD 15222; H.S.(D) 15121, PTD 15223; H.S.(D) 15122, PTD 15224;	Land held for future development	Freehold	2019	-	150.13	-	351.40	416.00	Feb-19

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TROPICANA GP VIEWS SDN BHD (CONT'D.)									
H.S.(D) 15123, PTD 15225;									
H.S.(D) 15124, PTD 15226;									
H.S.(D) 15125, PTD 15227;									
H.S.(D) 15126, PTD 15228;									
H.S.(D) 15127, PTD 15229;									
H.S.(D) 15128, PTD 15230;									
H.S.(D) 15129, PTD 15231;									
H.S.(D) 15130, PTD 15232;									
H.S.(D) 15131, PTD 15233;									
H.S.(D) 15132, PTD 15234;									
H.S.(D) 15133, PTD 15235;									
H.S.(D) 15134, PTD 15236;									
H.S.(D) 15135, PTD 15237;									
H.S.(D) 15136, PTD 15238;									
H.S.(D) 15137, PTD 15239;									
H.S.(D) 15138, PTD 15240;									
H.S.(D) 15139, PTD 15241;									
H.S.(D) 15140, PTD 15242;									
H.S.(D) 15141, PTD 15243;									
H.S.(D) 15142, PTD 15244;									
H.S.(D) 15143, PTD 15245;									
H.S.(D) 15144, PTD 15246;									
H.S.(D) 15145, PTD 15247;									
H.S.(D) 15146, PTD 15248;									
H.S.(D) 15147, PTD 15249;									
H.S.(D) 15148, PTD 15250;									
H.S.(D) 15149, PTD 15251;									
H.S.(D) 15150, PTD 15252;									
H.S.(D) 15151, PTD 15253;									
H.S.(D) 15152, PTD 15254;									
H.S.(D) 15153, PTD 15255;									
H.S.(D) 15154, PTD 15256;									
H.S.(D) 15155, PTD 15257;									
H.S.(D) 15156, PTD 15258;									
H.S.(D) 15157, PTD 15259;									
H.S.(D) 15158, PTD 15260;									
H.S.(D) 15159, PTD 15261;									
H.S.(D) 15160, PTD 15262;									
H.S.(D) 15161, PTD 15263;									
H.S.(D) 15162, PTD 15264;									
H.S.(D) 15163, PTD 15265;									
H.S.(D) 15164, PTD 15266;									
H.S.(D) 15165, PTD 15267;									
H.S.(D) 15166, PTD 15268;									
H.S.(D) 15167, PTD 15269;									
H.S.(D) 15168, PTD 15270;									
H.S.(D) 15169, PTD 15271;									
H.S.(D) 15170, PTD 15272;									
H.S.(D) 15171, PTD 15273;									
H.S.(D) 15172, PTD 15274;									
H.S.(D) 15173, PTD 15275;									
H.S.(D) 15174, PTD 15276;									

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TROPICANA GP VIEWS SDN BHD (CONT'D.)									
H.S.(D) 15175, PTD 15277; H.S.(D) 15176, PTD 15278; H.S.(D) 15177, PTD 15279; H.S.(D) 15178, PTD 15280 H.S.(D) 15179, PTD 15281; H.S.(D) 15180, PTD 15282; H.S.(D) 15181, PTD 15283; H.S.(D) 15182, PTD 15284; H.S.(D) 15183, PTD 15285; H.S.(D) 15184, PTD 15286; H.S.(D) 15185, PTD 15287; H.S.(D) 15186, PTD 15288; H.S.(D) 15187, PTD 15289; H.S.(D) 15188, PTD 15290; H.S.(D) 15189, PTD 15291; H.S.(D) 15190, PTD 15292; H.S.(D) 15191, PTD 15293; H.S.(D) 15192, PTD 15294; H.S.(D) 15193, PTD 15295; H.S.(D) 15194, PTD 15296; H.S.(D) 15195, PTD 15297; H.S.(D) 15196, PTD 15298; H.S.(D) 15197, PTD 15299; H.S.(D) 15198, PTD 15300; H.S.(D) 15199, PTD 15301; H.S.(D) 15200, PTD 15302; H.S.(D) 15201, PTD 15303; H.S.(D) 15202, PTD 15304; H.S.(D) 15203, PTD 15305; H.S.(D) 15204, PTD 15306; H.S.(D) 15205, PTD 15308; H.S.(D) 15208, PTD 15311; H.S.(D) 15209, PTD 15312; H.S.(D) 15210, PTD 15313; H.S.(D) 15211, PTD 15314; H.S.(D) 15212, PTD 15315; H.S.(D) 15213, PTD 15317; H.S.(D) 15214, PTD 15334; H.S.(D) 15215, PTD 15335; H.S.(D) 15216, PTD 15336; H.S.(D) 15217, PTD 15337; H.S.(D) 15218, PTD 15338; H.S.(D) 15219, PTD 15339; H.S.(D) 15220, PTD 15340; H.S.(D) 15221, PTD 15341; H.S.(D) 15222, PTD 15342; H.S.(D) 15223, PTD 15343; H.S.(D) 15224, PTD 15344; H.S.(D) 15225, PTD 15345; H.S.(D) 15226, PTD 15346; H.S.(D) 15227, PTD 15347; H.S.(D) 15229, PTD 15199; GM 891, Lot 987; GM 413, Lot 994; GM 410, Lot 995;									

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TROPICANA GP VIEWS SDN BHD (CONT'D.)									
GM 418, Lot 996; GM 887, Lot 986; GM 143, Lot 981; GM 142, Lot 982; GM 888, Lot 983; GM 890, Lot 984; and GM 889, Lot 985; GM 1352, Lot 1045, Mukim Jeram Batu, Daerah Pontian, Johor									
H.S.(D) 15204, PTD 15306, Mukim Jeram Batu, Daerah Pontian, Johor	Land under construction	Freehold	2019	-	7.26	-	9.90	-	-
H.S.(D) 15226, PTD 15346; and H.S.(D) 15227, PTD 15347, Mukim Jeram Batu, Daerah Pontian, Johor	Sales gallery	Freehold	2019	6	2.21	75,089	3.08	-	-
TROPICANA INDAH SDN BHD									
Lot 67275, Pekan Baru Sungai Buloh, Daerah Petaling, Selangor	Tropicana Gardens Office Tower	Leasehold (99 years) expiring on 25.04.2106	2020*	1	1.30	204,089	150.00	150.00	Dec-20
Lot 67275, Pekan Baru Sungai Buloh, Daerah Petaling, Selangor	Tropicana Gardens Mall	Leasehold (99 years) expiring on 25.04.2106	2019*	2	6.75	1,005,828	964.00	964.00	Dec-20
Lot 67274, Pekan Baru Sungai Buloh, Daerah Petaling, Selangor	Land under construction	Leasehold (99 years) expiring on 24.04.2106	1994	-	2.95	-	39.46	-	-
TROPICANA JAYA SDN BHD									
WA37-01, Windmill Upon Hills, Genting Permai GRN 45410, Lot 42549, Mukim Bentong, Daerah Bentong, Negeri Pahang	Land held for investment	Freehold	2020	1	5.57	127	1.05	-	-
WA38-01, Windmill Upon Hills, Genting Permai GRN 45410, Lot 42549, Mukim Bentong, Daerah Bentong, Negeri Pahang	Land held for investment	Freehold	2020	1	5.57	127	1.09	-	-
TROPICANA KAJANG HILL SDN BHD									
PT 38088, Bandar Batu 18, Semenyih, Daerah Ulu Langat, Selangor	Showcase	Freehold	2016*	4.5	2.00	45,717	16.50	16.50	Dec-20
PT 24736, Bandar Batu 18, Semenyih, Daerah Ulu Langat, Selangor	Land under construction	Freehold	2012	-	5.94	-	24.61	-	-
PT 38089, Bandar Batu 18, Semenyih, Daerah Ulu Langat, Selangor	Land held for future development	Freehold	2012	-	6.98	-	107.56	-	-

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TROPICANA KEMAYAN DEVELOPMENT SDN BHD									
PN 25820 to PN 25821, Lot 24131 to Lot 24132, Pekan Bukit Kepayang, Daerah Seremban, Negeri Sembilan	Land held for investment	Leasehold (99 years) expiring on 17.04.2095	2012	-	2.00	-	7.81	9.00	Mar-12
TROPICANA KIARA LESTARI DEVELOPMENT SDN BHD									
GM1799, Lot 2455; GM1800, Lot 2457; GM1801, Lot 2458; and GM1774, Lot 2477, Mukim Batu, Daerah Segambut, Wilayah Persekutuan	Land held for future development	Freehold	2019	-	8.28	-	20.66	79.27	Feb-19
TROPICANA KIARA LESTARI LAND SDN BHD									
GM1769, Lot 2475; GM1264, Lot 2476; and GM3217, Lot 2478, Mukim Batu, Daerah Segambut, Wilayah Persekutuan	Land held for future development	Freehold	2019	-	5.72	-	14.23	54.73	Feb-19
TROPICANA LAGOON SDN BHD									
PM 42, Lot 44996; and PM 43, Lot 44997, Mukim Pulau, Daerah Johor Bahru, Johor	Land held for future development	Leasehold (99 years) expiring on 01.02.2091	2013	-	2.78	-	4.80	-	-
TROPICANA LAHAD DATU DEVELOPMENT SDN BHD									
CL 115355612, Daerah Lahad Datu, Sabah	Land held for investment	Leasehold (999 years) expiring on 08.05.2933	2012	-	1.25	-	2.57	2.57	Dec-20
TROPICANA LAND (SANDAKAN) SDN BHD									
CL 075318697, Daerah Sandakan, Sabah	Land held for investment	Leasehold (999 years) expiring on 09.07.2887	2012	-	1.52	-	3.74	3.50	Mar-12
TROPICANA LAND SDN BHD									
H.S.(D) 330120, PTD 123308; and GRN 422076, Lot 85652, Mukim Pulau, Daerah Johor Bahru, Johor	Land held for future development	Freehold	2012	-	5.00	-	20.77	-	-
TROPICANA LINGKARAN UTAMA SDN BHD									
GM 267, Lot 2366; and GM 1481, Lot 1037, Mukim Jeram Batu, Daerah Pontian, Johor	Land held for future development	Freehold	2019	-	11.08	-	20.69	22.78	Feb-19
TROPICANA MACALISTER AVENUE (PENANG) SDN BHD									
Lot 10015, Seksyen 13, Bandar George Town, Daerah Timor Laut, Pulau Pinang	Hotel development known as Courtyard by Marriott, Penang	Freehold	2020*	-	0.52	-	200.00	-	-

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TROPICANA MAKMUR ARIF SDN BHD									
GRN 10094, Lot 10352, Mukim Bentong, Daerah Bentong, Pahang	Land held for future development	Freehold	2020	-	4.66	-	10.42	-	-
TROPICANA MAKMUR CAHAYA SDN BHD									
GRN 4884, Lot 10361, Mukim Bentong, Daerah Bentong, Pahang	Land held for future development	Freehold	2020	-	29.04	-	60.27	-	-
TROPICANA MAKMUR DUTA SDN BHD									
GRN 10456, Lot 17676, Mukim Bentong, Daerah Bentong, Pahang	Land held for future development	Freehold	2020	-	6.52	-	13.51	-	-
TROPICANA MAKMUR ERAT SDN BHD									
GRN 10457, Lot 17677, Mukim Bentong, Daerah Bentong, Pahang	Land held for investment	Freehold	2020	-	4.68	-	59.00	59.00	Dec-20
TROPICANA MAKMUR GAGAH SDN BHD									
GRN 10458, Lot 17680; and GRN 10459, Lot 17681, Mukim Bentong, Daerah Bentong, Pahang	Land held for future development	Freehold	2020	-	4.83	-	9.95	-	-
TROPICANA MAKMUR IRAMA SDN BHD									
H.S.(D) 13926, PT 17223; and H.S.(D) 13927, PT 17224, Mukim Bentong, Daerah Bentong, Pahang	Land held for future development	Freehold	2020	-	13.73	-	28.51	-	-
TROPICANA MAKMUR PELUANG SDN BHD									
GRN 41275, Lot 40936; and GRN 41276, Lot 40937, Mukim Bentong, Daerah Bentong, Pahang	Land held for future development	Freehold	2020	-	2.86	-	6.07	-	-
TROPICANA METRO SDN BHD									
GM 17092/11455, Lot 82748/10788, Section 31, Daerah Klang, Selangor	4-Storey commercial building with a basement carpark	Freehold	2012	24	2.15	60,589	17.40	21.50	Dec-20
TROPICANA METROPARK SDN BHD									
GRN 321052, Lot 72019; GRN 334474, Lot 72050; and GRN 321050, Lot 72017, Pekan Country Heights, Daerah Petaling, Selangor	Land held for future development	Freehold	2011	-	28.55	-	400.73	-	-
GRN 321056, Lot 72023; GRN 322254, PT42; and GRN 322255, PT43, Pekan Country Heights, Daerah Petaling, Selangor	Land under construction	Freehold	2011	-	12.83	-	170.85	-	-
GRN 321050, Lot 72017, Pekan Country Heights, Daerah Petaling, Selangor	Showcase	Freehold	2012*	8	-	22,098	3.49	-	-

LIST OF PROPERTIES

As at 31 December 2020

Title Reference	Purpose/ Existing Use	Tenure	Year of Acquisition/ Year of Completion*	Approx. Age of Building (Years)	Land Area Approx. (Acres)	Built-up Area/Net Lettable Area (Sq Ft)	Fair Value/ Carrying Amount @ 31 Dec 2020 (RM'Million)	Revaluation Value (RM'Million)	Date of Revaluation
TROPICANA PARKING SDN BHD									
Part of PN 97674, Lot 89556, Bandar Damansara, Daerah Petaling, Selangor	A stratified office Lot accessorised with 1,223 car park bays within Tropicana Avenue	Leasehold (99 years) expiring on 22.09.2109	2016*	4	5.73	–	36.00	36.00	Dec-20
TROPICANA PROPERTIES (SABAH) SDN BHD									
CL 015106377, Daerah Kota Kinabalu, Sabah	3-Storey commercial building with basement	Leasehold (999 years) expiring on 30.12.2914	2012	9	0.23	17,709	8.00	8.00	Dec-20
(i) TL 017511830, (ii) TL 017511849, (iii) CL 015105674 and (iv) CL 015138860, Daerah Kota Kinabalu, Sabah	4-Storey commercial building known as Moretune	Leasehold (999 years) expiring on (i),(ii) & (iii)31.12.2913 (iv)31.12.2908	2012	10	0.86	27,288	12.00	12.00	Dec-20
CL 015562348, Daerah Kota Kinabalu, Sabah	4-Storey commercial building known as Magma	Leasehold (999 years) expiring on 26.08.2916	2012	23	0.45	17,137	8.00	8.00	Dec-20
TROPICANA PROPERTIES (SANDAKAN) SDN BHD									
(i) Suburban Lease 077902179, (ii) TL 077555081 and (iii) TL 077555161, Daerah Sandakan, Sabah	3-Storey commercial building	Leasehold (999 years) expiring on (i)01.04.2893 (ii)&(iii)31.12.2910	2012	10	1.88	32,637	11.50	11.50	Dec-20
TROPICANA RAHANG DEVELOPMENT SDN BHD									
GRN 233167, Lot 23858, Daerah Seremban, Negeri Sembilan	Land held for investment	Freehold	2012	–	2.42	–	4.80	4.84	Mar-12
TROPICANA RESIDENCES SDN BHD									
GRN 51952, Lot 194, Seksyen 58, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Wilayah Persekutuan	Hotel development known as W Kuala Lumpur	Freehold	2018*	2	0.53	–	284.25	–	–
TROPICANA RHYTHM CREST SDN BHD									
H.S.(D) 552, Lot 2224; H.S.(D) 553, Lot 2225; H.S.(D) 566, Lot 2238; H.S.(D) 567, Lot 2239; and H.S.(D) 568, Lot 2240, Mukim Pulau, Daerah Johor Bahru, Johor	Land held for future development	Freehold	2019	–	25.00	–	39.62	50.11	Feb-19

Title Reference	Purpose/ Existing Use	Tenure	Year of Acquisition/ Year of Completion*	Approx. Age of Building (Years)	Land Area Approx. (Acres)	Built-up Area/Net Lettable Area (Sq Ft)	Fair Value/ Carrying Amount @ 31 Dec 2020 (RM'Million)	Revaluation Value (RM'Million)	Date of Revaluation
TROPICANA SANCTUARY DEVELOPMENT SDN BHD									
H.S.(D) 436855, PT MLO 348; and H.S.(D) 436856, PT MLO 349, Mukim Jelutong, Daerah Johor Bahru, Johor	Land held for future development	Leasehold	2018	–	329.15	–	83.49	645.00	Feb-19
TROPICANA SCENIC DEVELOPMENT SDN BHD									
H.S.(D)15092, PTD15193, Mukim Jeram Batu, Daerah Pontian, Johor	Land held for future development	Freehold	2019	–	3.65	–	6.59	–	–
TROPICANA SERI ALIRAN SDN BHD									
GRN 323064, Lot 8322, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	–	10.00	–	20.69	–	–
TROPICANA SERI BAKAT SDN BHD									
GRN 323065, Lot 8328, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	–	16.90	–	34.52	–	–
TROPICANA SERI DAMAI SDN BHD									
GRN 323067, Lot 8325, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	–	2.88	–	6.30	–	–
TROPICANA SERI DUTAAN SDN BHD									
GRN 323056, Lot 8311, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for investment	Freehold	2020	–	3.01	–	10.00	10.00	Dec-20
TROPICANA SERI FAUNA SDN BHD									
GRN 323069, Lot 8327, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	–	5.27	–	10.68	–	–
TROPICANA SERI IRAMA SDN BHD									
GRN 323068, Lot 8326, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	–	1.99	–	3.99	–	–
TROPICANA SERI JALUR SDN BHD									
GRN 323059, Lot 8314; and GRN 323060, Lot 8315, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	–	4.09	–	8.41	–	–
TROPICANA SERI JUTAAN SDN BHD									
GRN 323053, Lot 8299, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	–	8.87	–	18.28	–	–
TROPICANA SERI MERANTI SDN BHD									
GRN 323062, Lot 8317, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	–	9.87	–	20.15	–	–

LIST OF PROPERTIES

As at 31 December 2020

Title Reference	Purpose/ Existing Use	Tenure	Year of Acquisition/ Year of Completion*	Approx. Age of Building (Years)	Land Area Approx. (Acres)	Built-up Area/Net Lettable Area (Sq Ft)	Fair Value/ Carrying Amount @ 31 Dec 2020 (RM'Million)	Revaluation Value (RM'Million)	Date of Revaluation
TROPICANA SERI NIPAH SDN BHD									
GRN 323063, Lot 8318, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	-	2.12	-	4.37	-	-
TROPICANA SERI ORKID SDN BHD									
GRN 323055, Lot 8310, Mukim Batang Kali, Daerah of Ulu Selangor, Selangor	Land held for investment	Freehold	2020	-	2.31	-	8.00	8.00	Dec-20
TROPICANA SERI PELUANG SDN BHD									
GRN 323066, Lot 8324, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	-	3.00	-	6.23	-	-
TROPICANA SERI RESAK SDN BHD									
GRN 323057, Lot 8312, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for investment	Freehold	2020	-	6.67	-	17.00	17.00	Dec-20
TROPICANA SERI RIANG SDN BHD									
GRN 323054, Lot 8300, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	-	5.69	-	11.71	-	-
TROPICANA SERI SEGAK SDN BHD									
GRN 323061, Lot 8316, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	-	2.98	-	6.12	-	-
TROPICANA SERI SENA SDN BHD									
GRN 323058, Lot 8313, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	-	9.89	-	20.44	-	-
TROPICANA SERI TABAH SDN BHD									
GRN 323070, Lot 8329, Mukim Batang Kali, Daerah of Ulu Selangor, Selangor	Land held for future development	Freehold	2020	-	10.09	-	20.80	-	-
TROPICANA SERI TUJUAN SDN BHD									
GRN 323071, Lot 8332, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	Land held for future development	Freehold	2020	-	4.37	-	8.97	-	-
TROPICANA SIERRA SDN BHD									
H.S.(D) 19293, PT 24369; H.S.(D) 19294, PT 24370; H.S.(D) 19295, PT 24371; H.S.(D) 19296, PT 24372; H.S.(D) 19297, PT 24373; H.S.(D) 19298, PT 24374; H.S.(D) 19299, PT 24375; H.S.(D) 19300, PT 24376; H.S.(D) 19301, PT 24377; H.S.(D) 19302, PT 24378; H.S.(D) 19303, PT 24379; H.S.(D) 19304, PT 24380; and H.S.(D) 19305, PT 24381, Mukim Bentong, Daerah Bentong, Negeri Pahang	Land held for future development	Freehold	2018	-	92.36	-	50.73	78.00	Apr-18

Title Reference	Purpose/ Existing Use	Tenure	Year of Acquisition/ Year of Completion*	Approx. Age of Building (Years)	Land Area Approx. (Acres)	Built-up Area/Net Lettable Area (Sq Ft)	Fair Value/ Carrying Amount @ 31 Dec 2020 (RM'Million)	Revaluation Value (RM'Million)	Date of Revaluation
TROPICANA SOUTHERN GALLERY SDN BHD									
GM 1361, Lot 1033; GM 1359, Lot 1034; and GM 2600, Lot 1038, Mukim Jeram Batu, Daerah Pontian, Johor	Land held for future development	Freehold	2019	-	27.80	-	32.86	57.22	Feb-19
TROPICANA SUNGAI BULOH SDN BHD									
GRN 37702, Lot 28478, Mukim Bentong, Daerah Bentong, Pahang	Serviced apartment	Freehold	1996*	24	-	1,465	0.25	0.25	Dec-20
TROPICANA TAWAU DEVELOPMENT SDN BHD									
TL 107504138, TL 107504147, TL 107504156, TL 107504165 and TL 107504174, Daerah Tawau, Sabah	Land held for investment	Leasehold (999 years) expiring on 31.12.2895	2012	-	0.80	-	7.00	7.00	Dec-20
URBAN DISCOVERY SDN BHD									
GRN 10415, Lot 17682; GRN 10416, Lot 17683; GRN 10417, Lot 17684; GRN 10418, Lot 17685; GRN 10419, Lot 17686; and GRN 10420, Lot 17687, Mukim Batang Kali, Daerah Ulu Selangor, Selangor	3-Storey commercial building with a basement carpark	Freehold	2020	28	0.33	-	16.00	16.00	Dec-20
TROPICANA DANGA COVE SDN BHD ^^									
576 individual titles of Ayera Residences & 62 individual titles of Oasis 3 on Mukim Plentong, Daerah Johor Bahru, Johor	Land under construction	Freehold	2011 & 2012	-	55.89	-	108.86	-	-
PTD242402, PTD242407, PTD242411, PTD242413, PTD242416, PTD242417, PTD242422, PTD242424, PTD242425, PTD242431, PTD242432, PTD242437 & PTD242445 on Mukim Plentong, Daerah Johor Bahru, Johor	Land held for future development	Freehold	2011 & 2012 & 2013 & 2015	-	44.97	-	292.19	-	-
PTD 242399 & PTD 242404 on Mukim Plentong, Daerah Johor Bahru, Johor	Land held for investment	Freehold	2011	-	13.16	-	200.20	200.20	Dec-20
PTD 242404 on Mukim Plentong, Daerah Johor Bahru, Johor	Showcase	Freehold	2015	6	5.60	20,547	4.00	-	-
TROPICANA TEMOKIN SDN BHD ^^									
Jalan Harapan, GRN 22702 and GRN 45709, Lot 1 and Lot 4, Seksyen 1, Pekan Sungai Penchala, Daerah Petaling, Selangor	Land under construction	Freehold	2019	-	2.82	-	37.50	-	-

^^ Joint venture developments

GROUP DIRECTORY

CORPORATE OFFICES

HEAD OFFICE
TROPICANA CORPORATION BERHAD
Unit 1301, Level 13
Tropicana Gardens Office Tower
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T +603 7663 6888
F +603 7663 6688
E corpcomm@tropicanaCorp.com.my
W www.tropicanaCorp.com.my

Office Hours:
Mon - Fri | 9:00am - 6:00pm
Sat & Sun | Closed

CUSTOMER CARE SUPPORT & TROPICANA PRIVILEGE CARD SERVICES
T +603 7663 6888
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E customercare@tropicanaCorp.com.my

TROPICANA GOLF & COUNTRY RESORT BERHAD
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47410 Petaling Jaya
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E gm@tropicanaGolf.com
W www.tropicanaGolf.com

Office Hours:
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Sat | 9:00am - 1:00pm
Sun | Closed

PROPERTY GALLERIES & SHOW UNITS

TROPICANA GARDENS
Property Gallery & Show Unit
Level G, Tropicana Gardens Mall
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47810 Petaling Jaya
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E enquiry@tropicanaCorp.com.my
W www.tropicanaGardens.com.my

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TROPICANA METROPARK
Property Gallery & Show Unit
Lot 38515, Jalan Delima 1/1
Taman Perindustrian Teknologi Tinggi Subang
40000 Subang Jaya
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T 1700 81 8887
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E enquiry@tropicanaCorp.com.my
W www.tropicanaMetropark.com.my

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TROPICANA HEIGHTS
Property Gallery & Show Unit
Tropicana Heights Show Village
Off Jalan P6/2
43500 Semenyih, Kajang
Selangor Darul Ehsan, Malaysia
T 1700 81 9566
T +6016 239 7565
E enquiry@tropicanaCorp.com.my
W www.tropicanaHeights.com.my

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TROPICANA AMAN
Property Gallery & Show Unit
No 2, Persiaran Aman Perdana 3
Bandar Tropicana Aman
42500 Telok Panglima Garang
Selangor Darul Ehsan, Malaysia
T 1700 81 8868
E enquiry@tropicanaCorp.com.my
W www.tropicanaAman.com.my

Office Hours:
Mon – Sun | 9:30am – 6:30pm

TROPICANA MIYU
Property Gallery & Show Unit
A-G-01 & A-M-01
19 Sentral Jalan Harapan, Seksyen 19
46300, Petaling Jaya
Selangor Darul Ehsan, Malaysia
T 1700 81 6113
E enquiry@tropicanaCorp.com.my
W www.tropicanaMiyu.com.my

Office Hours:
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TROPICANA THE RESIDENCES
Show Unit
No 121, Jalan Ampang
50450 Kuala Lumpur
Wilayah Persekutuan, Malaysia
T +603 2166 1188
T + 6018 203 8888
E enquiry@tropicanaCorp.com.my
W www.tropicanaTheResidences.com

Office Hours:
Mon – Sun | 9:30am – 6:00pm

TROPICANA CENANG
Property Gallery & Show Unit
Jalan Pantai Chenang
07000 Langkawi
Kedah Darul Aman, Malaysia
T +6016 363 0900
E enquiry@tropicanaCorp.com.my
W www.tropicanaCenang.com.my

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Mon – Sun | 9:30am – 6:30pm

TROPICANA DANGA BAY
Property Gallery & Show Unit
Lot PTB 22902, Teluk Danga
Persiaran Abu Bakar Sultan
80200 Johor Bahru
Johor Darul Takzim, Malaysia
T +607 234 1585
E enquiry@tropicanaCorp.com.my
W www.tropicanaDangabay.com.my

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Mon – Sun | 9:00am – 6:00pm

TROPICANA DANGA COVE
Property Gallery & Show Unit
Lot PTD 28845-28892
Taman Cahaya Kota Puteri
Plentong, Jalan Permas Utara
Bandar Baru Permas Jaya
81750 Masai,
Johor Darul Takzim, Malaysia
T +607 382 3355
E enquiry@tropicanaCorp.com.my
W www.tropicanaDangacove.com.my

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TROPICANA 218 MACALISTER
Property Gallery & Show Unit
No 16, Jalan Anson
10400 George Town
Pulau Pinang, Malaysia
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E enquiry@tropicanaCorp.com.my
W tropicana218macalister.com.my

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TROPICANA GRANDHILL
Property Gallery & Show Unit
Jalan Permai 2
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69000 Genting Highlands
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T +603 6106 0688
T +6018 390 9988
E enquiry@tropicanaCorp.com.my
W www.tropicanaGrandhill.com

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E enquiry@tropicanaCorp.com.my

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Mon – Sun | 9:00am - 6:00pm

TROPICANA UPLANDS
Property Gallery & Show Unit
Lot PTD 15346
Jalan Tanjung Kupang
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E enquiry@tropicanaCorp.com.my

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General Office Hours:
Mon – Fri | 9:00am – 5:30pm
Sat | 9:00am – 1:00pm
Sun & Public Holiday | Closed

SCHOOLS

ST. JOSEPH’S INSTITUTION INTERNATIONAL SCHOOL MALAYSIA (TROPICANA PJ CAMPUS)
No. 1, Jalan PJU 3/13
47410 Petaling Jaya, Selangor
T +603 8605 3605
E enquiries@sj-i-international.edu.my

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(except Public Holidays)

TENBY INTERNATIONAL SCHOOL (TROPICANA AMAN)
No. 1, Jalan Tropicana Aman, Jalan Utama 2
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+603 7499 7666 (Admissions Enquiries)
E admissions@tenby.edu.my

Office Hours:
Term Time | 7:30am - 4:30pm
School Holiday | 9:00am - 4:30pm

GEMS INTERNATIONAL SCHOOL (TROPICANA METROPARK)
Jalan MP 2, Tropicana Metropark
47500 Subang Jaya, Selangor
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E info_gims@gemsedu.com

Office Hours:
School Time | 9:00am - 2:50pm

Info correct at time of print. For more info, refer to www.tropicanaCorp.com.my/contact-us

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Forty-Second Annual General Meeting (“**42nd Annual General Meeting**” or “**Meeting**”) of Tropicana Corporation Berhad (“**Tropicana**” or “**the Company**”) will be held on a fully virtual and live-streamed from the broadcast venue at the Greens III, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Friday, 25 June 2021 at 11.00 a.m. for the following businesses:

AS ORDINARY BUSINESSES

1.

To receive the Audited Financial Statements for the financial year ended 31 December 2020 together with the Reports of the Directors and the Auditors thereon.

Please refer to item 1 of Explanatory Notes to Ordinary Businesses
2.

To re-elect the following Directors who retire in accordance with Clause 112 of the Company's Constitution and, being eligible, have offered themselves for re-election:

2.1

Jared Ang Tzer Shen

2.2

Tan Sri Dato’ Sri Mohamad Fuzi Bin Harun

2.3

Vivienne Cheng Chi Fan

2.4

Datuk Siw Chun A/P Eam

2.5

Lee Han Ming

2.6

Dato’ Dr Teo Tong Kooi

2.7

Dato’ Sri Badrul Hisham Bin Abdul Aziz

Ordinary Resolution 1
Ordinary Resolution 2
Ordinary Resolution 3
Ordinary Resolution 4
Ordinary Resolution 5
Ordinary Resolution 6
Ordinary Resolution 7
3.

To re-elect the following Directors who retire by rotation in accordance with Clause 113 of the Company's Constitution and, being eligible, have offered themselves for re-election:

3.1

Dion Tan Yong Chien

3.2

Mohd Najib Bin Abdul Aziz

Ordinary Resolution 8
Ordinary Resolution 9

4.

To approve the payment of Directors’ fees to the Non-Executive Directors based on the fees structure as disclosed in item 2 of the Explanatory Notes to Ordinary Businesses retrospectively from 1 January 2021 until the conclusion of the next Annual General Meeting of the Company to be held in year 2022.

Ordinary Resolution 10

5.

To approve the payment of meeting attendance allowance of RM1,000.00 per meeting day to each Non-Executive Director from 1 January 2021 until the conclusion of the next Annual General Meeting of the Company to be held in year 2022.

Ordinary Resolution 11

6.

To re-appoint Messrs Ernst & Young PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.

Ordinary Resolution 12
- AS SPECIAL BUSINESSES**
- To consider and if thought fit, to pass the following resolutions, with or without any modifications:
- 7. PROPOSED CONTINUATION OF DATUK MICHAEL TANG VEE MUN AS SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR**

“**THAT** approval be and is hereby given to Datuk Michael Tang Vee Mun who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as Senior Independent Non-Executive Director of the Company;

AND THAT approval be further given to Datuk Michael Tang Vee Mun, whose tenure will reach a cumulative term of twelve (12) years on 13 November 2021, to continue in office as Senior Independent Non-Executive Director of the Company in accordance with the Malaysian Code on Corporate Governance until the conclusion of the next Annual General Meeting.”

Ordinary Resolution 13
- 8. PROPOSED AUTHORITY FOR DIRECTORS TO ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016**

Ordinary Resolution 14
- “**THAT** subject to the Companies Act 2016, the Company's Constitution and the approvals from Bursa Malaysia Securities Berhad (“**Bursa Securities**”), Securities Commission Malaysia and any other relevant governmental and/or regulatory authorities, the Directors of the Company be and are hereby empowered pursuant to Sections 75 and 76 of the Companies Act 2016, to allot and issue shares in the Company from time to time upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit provided always that the aggregate number of shares to be issued pursuant to this resolution does not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares) of the Company for the time being to be utilised until 31 December 2021 as empowered by Bursa Securities pursuant to Bursa Malaysia Berhad's letter dated 16 April 2020 to grant additional temporary relief measures to the listed issuers and thereafter, ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being as stipulated under Paragraph 6.03(1) of Bursa Securities Main Market Listing Requirements to be utilised before the conclusion of the next Annual General Meeting of the Company after the approval was given or at the expiry of the period within which the next Annual General Meeting is required to be held after the approval was given, whichever is the earlier;
- AND THAT** the Directors of the Company be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities.”
- 9. PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES**

Ordinary Resolution 15
- “**THAT** subject to Section 127 of the Companies Act 2016 (“**the Act**”), the Company's Constitution, the Listing Requirements of Bursa Malaysia Securities Berhad and any other relevant authorities, the Directors of the Company be and are hereby authorised to purchase its own shares through Bursa Malaysia Securities Berhad as may be determined by the Directors from time to time and upon such terms and conditions as the Directors may deem fit and expedient in the best interest of the Company **PROVIDED THAT:-**
- (a)

the aggregate number of shares, which may be purchased pursuant to this resolution, does not exceed ten per centum (10%) of the total number of issued shares of the Company at the time of purchase and **FURTHER PROVIDED THAT** the Company continues to maintain a public shareholding spread that is in compliance with the Listing Requirements of Bursa Malaysia Securities Berhad after the shares are purchased;

(b)

the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the total retained profits of the Company at the time of purchase;

(c)

upon the completion of the purchase of the shares of the Company, the Directors of the Company be authorised to deal with those shares in the following manners:

(i)

cancel the shares so purchased; or

(ii)

retain the shares so purchased as treasury shares; or

(iii)

retain part of the shares so purchased as treasury shares and cancel the remainder; or

(iv)

distribute the treasury shares as dividends to the shareholders and/or resell on Bursa Malaysia Securities Berhad and/or transfer the shares or any of the shares as purchase consideration and/ or cancel all or part of them; or

(v)

in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the Listing Requirements of Bursa Malaysia Securities Berhad and any other relevant authority for the time being in force;
- 314
- 315

NOTICE OF ANNUAL GENERAL MEETING

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

- (i) the conclusion of the next Annual General Meeting of the Company, at which time the said authority will lapse unless by an ordinary resolution passed at the general meeting of the Company, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever is the earlier;

AND THAT the Directors of the Company be authorised to take all such steps as are necessary or expedient to implement or to give effect to the purchases of the shares of the Company with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed or permitted by the relevant authorities and/or deem fit by the Directors in the best interests of the Company.”

10. **PROPOSED RENEWAL OF AUTHORITY TO ALLOT AND ISSUE ORDINARY SHARES IN TROPICANA CORPORATION BERHAD (“TROPICANA”) (“TROPICANA SHARES”) FOR THE PURPOSE OF TROPICANA’S DIVIDEND REINVESTMENT SCHEME (“DRS”) THAT PROVIDES SHAREHOLDERS OF TROPICANA THE OPTION TO ELECT TO REINVEST THEIR CASH DIVIDEND ENTITLEMENTS IN NEW TROPICANA SHARES**

“THAT pursuant to the DRS as approved by the shareholders of the Company at the Thirty-Fourth Annual General Meeting of the Company held on 28 June 2013 and renewed in subsequent Annual General Meetings;

AND THAT approval be and is hereby given to the Company to allot and issue such number of new Tropicana Shares for the DRS from time to time as may be required to be allotted and issued pursuant to the DRS until the conclusion of the next Annual General Meeting upon such terms and conditions and to such persons as the Directors, may in their absolute discretion, deem fit and in the best interests of the Company **PROVIDED THAT** the issue price of the said new Tropicana Shares shall be fixed by the Directors of the Company at a discount of not more than ten per centum (10%) to the five (5) market days volume weighted average market price (“**VWAMP**”) of Tropicana Shares immediately prior to the price-fixing date, of which the VWAMP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price;

AND THAT the Directors of the Company be and are hereby authorised to do all such acts and enter into all such transactions, arrangements, deeds, undertakings and documents as may be necessary or expedient in order to give full effect to the DRS with full power to assent to any conditions, modifications, variations and/or amendments to the terms of the DRS as may be imposed or agreed to by any relevant authorities or consequent upon the implementation of the said conditions, modifications, variations and/or amendments by the Directors as they may in their absolute discretion deem fit, necessary and/or expedient in the best interests of the Company.”

- 11. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 and the Company’s Constitution.

By Order of the Board
TROPICANA CORPORATION BERHAD

CHUA SIEW CHUAN (SSM PC No. 201908002648) (MAICSA 0777689)
CHIN MUN YEE (SSM PC No. 201908002785) (MAICSA 7019243)
TAN GIN LING (SSM PC No. 201908002292) (MAICSA 7023190)
Company Secretaries

Petaling Jaya
Selangor Darul Ehsan
Malaysia
25 May 2021

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1.
- For the purpose of determining a member who shall be entitled to participate this 42nd Annual General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to issue a Record of Depositors as at 18 June 2021 in accordance with Clause 80 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991. Only a depositor whose name appears in the Record of Depositors as at 18 June 2021 shall be entitled to participate and vote at the Meeting or appoint proxy(ies) to participate and/or vote on his/her behalf.
2.
- A member of the Company shall be entitled to appoint a proxy or proxies (subject always to a maximum of two (2) proxies) to participate, speak and vote in his/her stead at the 42nd Annual General Meeting. A proxy may but need not be a member of the Company. There is no restriction as to the qualification of proxy.

As guided by the Securities Commission Malaysia's Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers that was first issued on 18 April 2020 and its subsequent amendments, the right to speak is not limited to verbal communication only but includes other modes of expression. Therefore, all shareholders and proxies shall communicate with the main venue of the Meeting via real time submission of typed texts through a text box within Securities Services e-Portal's platform during the live streaming of the Meeting as the primary mode of communication. In the event of any technical glitch in this primary mode of communication, shareholders and proxies may email their questions to eservices@sshsb.com.my during the Meeting. The questions and/or remarks submitted by the shareholders and/or proxies will be broadcasted and responded by the Chairman/Directors/relevant advisers during the Meeting.

3.
- Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
4.
- Where a member of the Company is an exempt authorised nominee (as defined under the Securities Industry (Central Depositories) Act 1991) which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**Omnibus Account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
5.
- Where more than one (1) proxy is appointed to participate and vote at the Meeting, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies, failing which, the appointment shall be invalid.
6.
- Appointment of proxy and registration for remote participation and voting

The instrument appointing a proxy must be in writing under the hands of the appointer or of his/her attorney duly authorised in writing or, if the appointer is a corporation either under its common seal or under the hand of its officer or its duly authorised attorney.

To be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority must be completed and deposited at the office of the Share Registrar of the Company, Securities Services (Holdings) Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time set for holding the Meeting or at any adjournment thereof. The proxy appointment may also be lodged electronically via Securities Services e-Portal at www.sshsb.net.my/. All resolutions set out in this notice of meeting are to be voted by poll.

Should you wish to personally participate at the Meeting remotely, please register electronically via Securities Services e-Portal at www.sshsb.net.my/ by the registration cut-off date and time. Please refer to the Administrative Guide on the Conduct of a Fully Virtual General Meeting for further details.

The Administrative Guide on the Conduct of a Fully Virtual General Meeting is available for download at www.tropicanaCorp.com.my/reports-and-presentations

EXPLANATORY NOTES TO ORDINARY BUSINESSES

1. Laying of Audited Financial Statements and Reports of the Directors and the Auditors thereon

In accordance with Section 340(1)(a) of the Companies Act 2016 ("**the Act**"), the Company is required to lay the Audited Financial Statements and the Reports of the Directors and the Auditors thereon at its Annual General Meeting. Hence, the Agenda item no. 1 above is not a business which requires a resolution to be put to vote by the shareholders. This Agenda item is for discussion only.

2. Ordinary Resolution 10 – Approval for Directors’ fees from 1 January 2021 until the conclusion of the next Annual General Meeting of the Company to be held in year 2022.

Section 230(1) of the Act requires the fees of the directors and any benefits payable to the directors of a public company shall be approved at a general meeting. Pursuant thereto, the Company is seeking the shareholders’ approval for the payment of revised Directors’ fees to the Non-Executive Directors retrospectively from 1 January 2021 until the conclusion of the next Annual General Meeting of the Company to be held in year 2022 in accordance with the Directors’ fees structure as set out below:

Fees (RM/year)				
Board/Board Committees	Chairman	Deputy Chairman	Senior Independent Director	Members
Board	240,000	180,000	165,000	150,000
Audit Committee	28,000	–	–	20,000
Risk Management Committee	19,000	–	–	13,000
Other Committees	10,000	–	–	6,000

The proposed Ordinary Resolution 10, if passed, will give approval to the Company to pay the Directors’ fees to the Non-Executive Directors on the basis as determined by the Board for their services as members of the Board and Board Committees.

EXPLANATORY NOTES TO SPECIAL BUSINESSES

1. Ordinary Resolution 13 - Continuation in office of Datuk Michael Tang Vee Mun as Senior Independent Non-Executive Director

Datuk Michael Tang Vee Mun was appointed as an Independent Non-Executive Director of the Company since 13 November 2019 and was re-designated as Senior Independent Non-Executive Director on 7 December 2020.

The Board had via the Nomination Committee conducted an assessment on the contribution of Datuk Michael Tang Vee Mun, whose tenure will reach a cumulative term of twelve (12) years on 13 November 2021 and recommended him to continue to act as Senior Independent Non-Executive Director of the Company based on the following justifications:

- (i)
- He has met the independence criteria adopted by the Company and fulfilled the independence as defined in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and therefore, he would be able to provide check and balance and bring independent and objective judgement to the Board.
- (ii)
- He has shown high commitment and devoted sufficient time and efforts and attended all the Board and Board Committees Meetings for informed and balanced decision making.
- (iii)
- He always demonstrates the values and principles associated with independence when deliberating on matters, promotes good corporate governance practices and facilitates the Board and Board Committees to perform their responsibilities effectively through his independent and objective directorship.
- (iv)
- He discharges his duties and role as an Independent Non-Executive Director effectively due to his insight and good understanding of the industry and the Group's various core business operations enable him to participate actively and contribute effectively during deliberations in robust discussion without compromising his independence and objective judgement.
- (v)
- He fulfilled his role with due care and diligence and has carried out his professional duties as Senior Independent Non-Executive Director of the Company in the interest of the Company and shareholders. Pursuant to the Malaysian Code on Corporate Governance, the Company would apply the two-tier voting process in seeking shareholders’ approval to retain Independent Director beyond twelve (12) years of tenure at the subsequent Annual General Meeting to be held in year 2022.

The Proposed Ordinary Resolution 13 in Agenda 7, if passed, will allow Datuk Michael Tang Vee Mun to continue acting as Senior Independent Non-Executive Director to fulfill the requirements of Paragraph 3.04 of Bursa Malaysia Securities Berhad's Main Market Listing Requirements and to be in line with the Practice No. 4.2 of the Malaysian Code of Corporate Governance.

NOTICE OF ANNUAL GENERAL MEETING

2. Ordinary Resolution 14 - Proposed authority for Directors to issue shares pursuant to Sections 75 and 76 of the Act

The general mandate sought by the Company under the proposed Ordinary Resolution 14 is to renew the previous general mandate granted to the Directors of the Company at the 41st Annual General Meeting held on 9 September 2020 to issue shares pursuant to Sections 75 and 76 of the Act. As at the date of this notice, no new shares in the Company were issued under the previous general mandate, which will lapse at the conclusion of the 42nd Annual General Meeting and hence, no proceeds raised therefrom.

As part of the initiative from Bursa Malaysia Securities Berhad to aid and facilitate listed issuers in sustaining their business or easing their compliance with Bursa Malaysia Securities Berhad’s rules, amid the unprecedented uncertainty surrounding the recovery of the COVID-19 pandemic and the Movement Control Order imposed by the Government, Bursa Malaysia Securities Berhad had via a Bursa Malaysia Berhad’s letter dated 16 April 2020 allowed listed issuers to seek a higher general mandate under Paragraph 6.03 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad of not more than twenty per centum (20%) of the total number of issued shares (excluding treasury shares) for issue of securities (“**20% General Mandate**”), which may be utilised to issue new securities until 31 December 2021 and thereafter, ten per centum (10%) of the total number of issued shares of the Company for the time being as stipulated under Paragraph 6.03(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**10% General Mandate**”).

In light of the economic challenges brought about by the Covid-19 pandemic, the Board is of the opinion that the 20% General Mandate is useful for the Company to meet its financial needs during the period covered and therefore, it is in the best interest of the Company and its shareholders. Should the 20% General Mandate and/or 10% General Mandate be exercised, the Directors will utilise the proceeds raised for working capital or such other applications they may in their absolute discretion deem fit.

Instances for which the Company may issue new shares under this general mandate include but not limited to the purpose(s) of complying with public shareholding spread requirements and raising funds through private placement for purposes of working capital requirement and/or allowing the entry of strategic partners.

3. Ordinary Resolution 15 - Proposed renewal of authority for the Company to purchase its own shares

The proposed Ordinary Resolution 15, if passed, will renew the shareholders’ mandate for the Company to purchase and/or hold up to ten per centum (10%) of the total number of issued shares of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the 43rd Annual General Meeting.

Further information on this proposal is set out in the Share Buy-Back Statement dated 25 May 2021.

4. Ordinary Resolution 16 - Proposed renewal of authority to allot and issue ordinary shares in Tropicana for the purpose of Tropicana’s Dividend Reinvestment Scheme (“DRS”) that provides shareholders of Tropicana the option to elect to reinvest their cash dividend entitlements in new ordinary shares in Tropicana

The proposed Ordinary Resolution 16, if passed, will empower the Directors of the Company to allot and issue new ordinary shares in the Company in respect of dividends to be declared, if any, under the DRS. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the 43rd Annual General Meeting.

ADMINISTRATIVE GUIDE

TROPICANA CORPORATION BERHAD - FULLY VIRTUAL 42ND AGM ON 25 JUNE 2021

WHAT IS SECURITIES SERVICES e-Portal?

Securities Services e-Portal is an online platform that will allow both individual shareholders and body corporate shareholders through their appointed representatives, to -

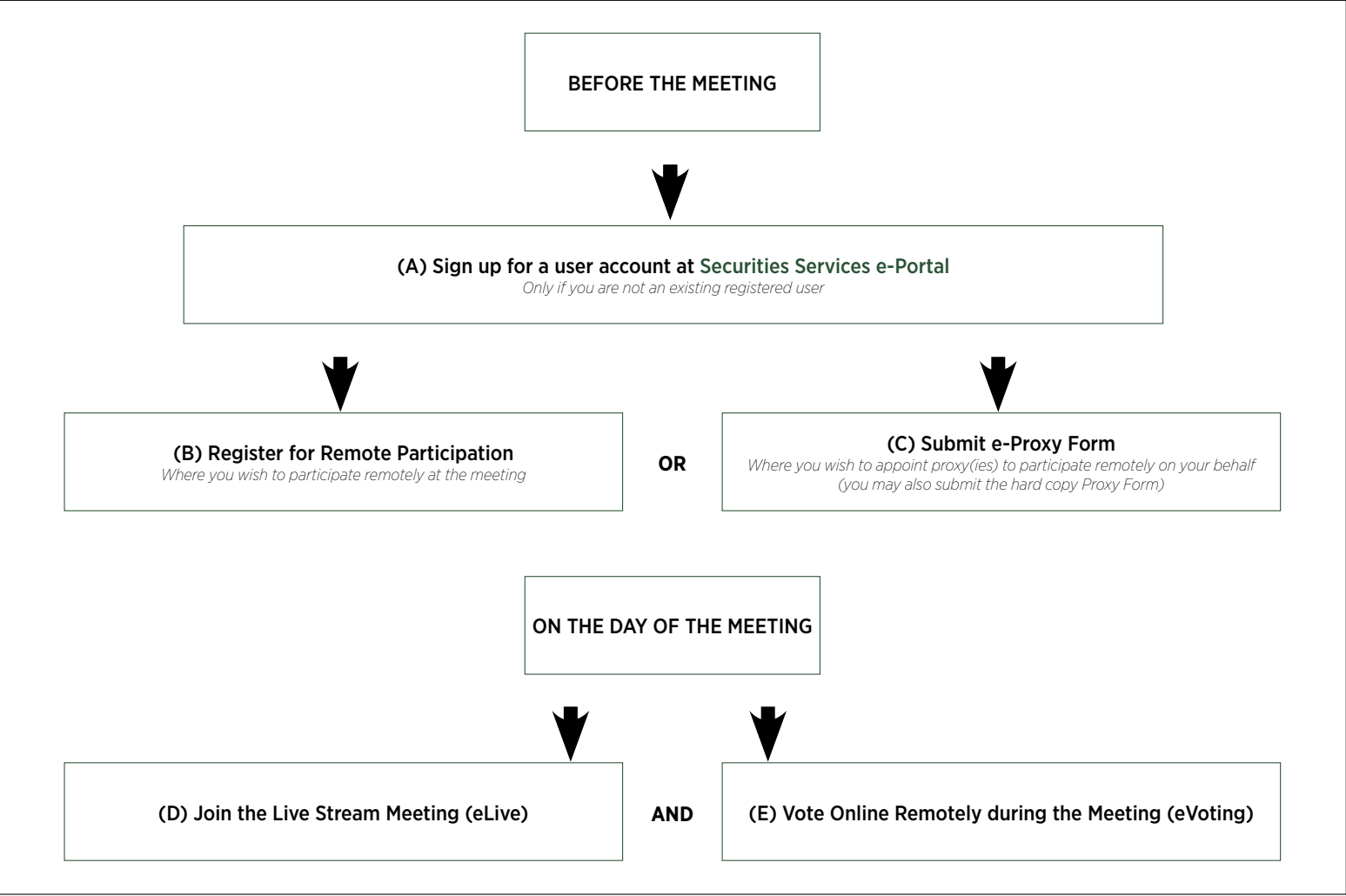
- Submit proxy form electronically – paperless submission
- Register for remote participation and voting at meeting
- Participate in meeting remotely via live streaming
- Vote online remotely on resolution(s) tabled at meeting (referred to as “**e-Services**”).

The usage of the e-Portal is dependent on the engagement of the relevant e-Services by Tropicana Corporation Berhad and is by no means a guarantee of availability of use, unless we are so engaged to provide. **All users are to read, agree and abide to all the Terms and Conditions of Use and Privacy Policy as required throughout the e-Portal.**

Please note that the e-Portal is best viewed on the latest versions of Chrome, Firefox, Edge and Safari.

REQUIRE ASSISTANCE?

Please contact Mr. Wong Piang Yoong (DID: +603 2084 9168) or Ms. Lee Pei Yeng (DID: +603 2084 9169) or Ms. Rachel Ou (DID: +603 2084 9161) or our general line (DID: +603 2084 9000) to request for e-Services Assistance during our office hours on Monday to Friday from 8:30 a.m. to 12:15 p.m. and from 1:15 p.m. to 5:30 p.m. Alternatively, you may email us at eservices@sshsb.com.my



ADMINISTRATIVE GUIDE

TROPICANA CORPORATION BERHAD - FULLY VIRTUAL 42nd AGM ON 25 JUNE 2021

BEFORE THE MEETING

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BEFORE THE MEETING

(C) SUBMIT E-PROXY FORM

Meeting Date and Time	Proxy Form Submission Closing Date and Time
Friday, 25 June 2021 at 11:00 a.m.	Wednesday, 23 June 2021 at 11:00 a.m.
<ul style="list-style-type: none">Log in to https://sshsb.net.my/login.aspx with your registered email and passwordLook for Tropicana Corporation Berhad under Company Name and 42nd AGM on 25 June 2021 at 11:00 a.m. – Submission of Proxy Form under Corporate Exercise / Event and click ">" to submit your proxy forms online for the meeting by the submission closing date and time above.	
Step 1	<p>Check if you are submitting the proxy form as –</p> <ul style="list-style-type: none">Individual shareholderCorporate or authorised representative of a body corporate <p><i>For body corporates, the appointed corporate / authorised representative is to upload the evidence of authority (e.g. Certificate of Appointment of Corporate Representative, Power of Attorney, letter of authority or other documents proving authority). All documents that are not in English or Bahasa Malaysia have to be accompanied by a certified translation in English in 1 file. The <u>original</u> evidence of authority and translation thereof, if required, have to be submitted at the office of Share Registrar, Securities Services (Holdings) Sdn. Bhd. at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur for verification before the proxy form submission closing date and time above.</i></p>
Step 2	<p>Enter your CDS account number or the body corporate's CDS account number. Then enter the information of your proxy(ies) and the proportion of your securities to be represented by your proxy(ies).</p> <p>You may appoint the Chairman of the meeting as your proxy should you not able to participate remotely.</p>
Step 3	Proceed to indicate how your votes are to be casted against each resolution.
Step 4	Review and confirm your proxy form details before submission.
<ul style="list-style-type: none">A copy of your submitted e-Proxy Form can be accessed via My Records (refer to the left navigation panel).You need to submit your e-Proxy Form for every CDS account(s) you have or represent.	

PROXIES

All appointed proxies need not register for remote participation under (B) above but if they are not registered users of the e-Portal, they will need to sign up as users of the e-Portal under (A) above by 21 JUNE 2021. PLEASE NOTIFY YOUR PROXY(IES) ACCORDINGLY. Upon processing the proxy forms, we will grant the proxy access to remote participation at the meeting to which he/she is appointed for instead of the shareholder, provided the proxy must be a registered user of the e-Portal, failing which, the proxy will not be able to participate at the meeting as the meeting will be conducted on a fully virtual basis.

ADMINISTRATIVE GUIDE

TROPICANA CORPORATION BERHAD - FULLY VIRTUAL 42nd AGM ON 25 JUNE 2021

ON THE DAY OF THE MEETING

Log in to <https://sshsb.net.my/login.aspx> with your registered email and password

(D) JOIN THE LIVE STREAM MEETING (eLive)

Meeting Date and Time	eLive Access Date and Time
Friday, 25 June 2021 at 11:00 a.m.	Friday, 25 June 2021 at 10:30 a.m.
<ul style="list-style-type: none">Look for Tropicana Corporation Berhad under Company Name and 42nd AGM on 25 June 2021 at 11:00 a.m. – Live Stream Meeting under Corporate Exercise / Event and click ">" to join the meeting.The access to the live stream meeting will open on the abovementioned date and time.If you have any questions to raise, you may use the text box to transmit your question. The Chairman / Board / Management / relevant adviser(s) will endeavour to broadcast your question and their answer during the meeting. Do take note that the quality of the live streaming is dependent on the stability of the internet connection at the location of the user.	

(E) VOTE ONLINE REMOTELY DURING THE MEETING (eVOTING)

Meeting Date and Time	eVoting Access Date and Time
Friday, 25 June 2021 at 11:00 a.m.	Friday, 25 June 2021 at 11:00 a.m.
<ul style="list-style-type: none">If you are already accessing the Live Stream Meeting, click Proceed to Vote under the live stream player. ORIf you are not accessing from the Live Stream Meeting and have just logged in to the e-Portal, look for Tropicana Corporation Berhad under Company Name and 42nd AGM on 25 June 2021 at 11:00 a.m. – Remote Voting under Corporate Exercise / Event and click ">" to remotely cast and submit the votes online for the resolutions tabled at the meeting.<div><div>Step 1</div><div>Cast your votes by clicking on the radio buttons against each resolution.</div><div>Step 2</div><div>Review your casted votes and confirm and submit the votes.</div></div>The access to eVoting will open on the abovementioned date and time.Your votes casted will apply throughout <u>all</u> the CDS accounts you represent as an individual shareholder, corporate / authorised representative and proxy. Where you are attending as a proxy, and the shareholder who appointed you has indicated how the votes are to be casted, we will take the shareholder’s indicated votes in the proxy form.The access to eVoting will close as directed by the Chairman of the meeting.A copy of your submitted e-Voting can be accessed via My Records (refer to the left navigation panel).	

PROXY FORM

*I/We:

Full name (in block capitals):	CDS account no.:	No. of shares held:
Address:	NRIC/Passport/Company no.:	
Contact no.:	Email address:	

being a *member/members of TROPICANA CORPORATION BERHAD, do hereby appoint:

First Proxy “A”

Full name (in block capitals):	NRIC/Passport no.:	Proportion of shareholdings	
		No. of shares	%
Address:	Email:		
	Contact:		

*AND

*Second Proxy “B”

Full name (in block capitals):	NRIC/Passport no.:	Proportion of shareholdings	
		No. of shares	%
Address:	Email:		
	Contact:		

or failing *him/her, the Chairman of the Meeting as *my/our proxy to vote for *me/us and on *my/our behalf at the Forty-Second Annual General Meeting (“**42nd Annual General Meeting**” or “**Meeting**”) of the Company to be held on a fully virtual basis and live-streamed from the broadcast venue at the Greens III, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Friday, 25 June 2021 at 11.00 a.m. or any adjournment thereof.

NO.	RESOLUTIONS		FOR	AGAINST
1.	Re-election of Jared Ang Tzer Shen as Director.	Ordinary Resolution 1		
2.	Re-election of Tan Sri Dato’ Sri Mohamad Fuzi Bin Harun as Director.	Ordinary Resolution 2		
3.	Re-election of Vivienne Cheng Chi Fan as Director.	Ordinary Resolution 3		
4.	Re-election of Datuk Siw Chun A/P Eam as Director.	Ordinary Resolution 4		
5.	Re-election of Lee Han Ming as Director.	Ordinary Resolution 5		
6.	Re-election of Dato’ Dr Teo Tong Kooi as Director.	Ordinary Resolution 6		
7.	Re-election of Dato’ Sri Badrul Hisham Bin Abdul Aziz as Director.	Ordinary Resolution 7		
8.	Re-election of Dion Tan Yong Chien as Director.	Ordinary Resolution 8		
9.	Re-election of Mohd Najib Bin Abdul Aziz as Director.	Ordinary Resolution 9		
10.	Approval of the payment of Directors’ fees to the Non-Executive Directors retrospectively from 1 January 2021 until the conclusion of the next Annual General Meeting of the Company.	Ordinary Resolution 10		
11.	Approval of the payment of meeting attendance allowance to each Non-Executive Director from 1 January 2021 until the conclusion of the next Annual General Meeting of the Company.	Ordinary Resolution 11		
12.	Re-appointment of Messrs Ernst & Young PLT as Auditors and to authorise the Directors to fix their remuneration.	Ordinary Resolution 12		
13.	Continuation in office of Datuk Michael Tang Vee Mun as Senior Independent Non-Executive Director.	Ordinary Resolution 13		
14.	Authority to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.	Ordinary Resolution 14		
15.	Renewal of authority for the Company to purchase its own shares.	Ordinary Resolution 15		
16.	Renewal of authority to issue and allot shares for the purpose of the Dividend Reinvestment Scheme.	Ordinary Resolution 16		

Please indicate with an “X” in the appropriate column above to show how you wish your votes to be cast. In the absence of specific directions, your proxy will vote or abstain from voting at his/her discretion.

*strike out whichever not applicable

Signature of Member(s)/Common Seal

Signed this _____ day of _____, 2021

Notes:-

1. For the purpose of determining a member who shall be entitled to participate in this 42nd Annual General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a Record of Depositors as at 18 June 2021 in accordance with Clause 80 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991. Only a depositor whose name appears in the Record of Depositors as at 18 June 2021 shall be entitled to participate and vote at the Meeting or appoint proxy(ies) to participate and/or vote on his/her behalf.
2. A member of the Company shall be entitled to appoint a proxy or proxies (subject always to a maximum of two (2) proxies) to participate, speak and vote in his/her stead at the 42nd Annual General Meeting. A proxy may but need not be a member of the Company. There is no restriction as to the qualification of proxy.

As guided by the Securities Commission Malaysia's Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers that was first issued on 18 April 2020 and its subsequent amendments, the right to speak is not limited to verbal communication only but includes other modes of expression. Therefore, all shareholders and proxies shall communicate with the main venue of the Meeting via real time submission of typed texts through a text box within Securities Services e-Portal's platform during the live streaming of the Meeting as the primary mode of communication. In the event of any technical glitch in this primary mode of communication, shareholders and proxies may email their questions to eservices@sshsb.com.my during the Meeting. The questions and/or remarks submitted by the shareholders and/or proxies will be broadcasted and responded by the Chairman/ Directors/relevant advisers during the Meeting.

3. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
4. Where a member of the Company is an exempt authorised nominee (as defined under the Securities Industry (Central Depositories) Act 1991) which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**Omnibus Account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
5. Where more than one (1) proxy is appointed to participate and vote at the Meeting, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies, failing which, the appointment shall be invalid.

Please fold here

AFFIX
STAMP

**The Share Registrar of
TROPICANA CORPORATION BERHAD**

Securities Services (Holdings) Sdn Bhd
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Malaysia

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6. Appointment of proxy and registration for remote participation and voting

The instrument appointing a proxy must be in writing under the hands of the appointer or of his/her attorney duly authorised in writing or, if the appointer is a corporation either under its common seal or under the hand of its officer or its duly authorised attorney.

To be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority must be completed and deposited at the office of the Share Registrar of the Company, Securities Services (Holdings) Sdn Bhd at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time set for holding the Meeting or at any adjournment thereof. The proxy appointment may also be lodged electronically via Securities Services e-Portal at www.sshsb.net.my/. All resolutions set out in this notice of meeting are to be voted by poll.

Should you wish to personally participate at the Meeting remotely, please register electronically via Securities Services e-Portal at www.sshsb.net.my/ by the registration cut-off date and time. Please refer to the Administrative Guide on the Conduct of a Fully Virtual General Meeting for further details.

The Administrative Guide on the Conduct of a Fully Virtual General Meeting is available for download at www.tropicanaCorp.com.my/reports-and-presentations



TROPICANA GRANDHILL

Our first foray into Genting Highlands



To discover the world of Tropicana,
visit www.tropicanacorp.com.my

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CORPORATION BERHAD
[Registration No.197901003695 (47908-K)]